

JOHN C. CRUDEN
 Acting Assistant Attorney General
 Environment & Natural Resources Division

WILLIAM D. BRIGHTON, Assistant Chief
THOMAS W. SWEGLE, Senior Lawyer
 Environmental Enforcement Section
 1425 New York Avenue, N.W.
 Washington, D.C. 20005

ALAN BURROW
 Assistant U.S. Attorney
 District of Idaho
 P.O. Box 32
 Boise, ID 83707

**IN THE UNITED STATES DISTRICT COURT
 FOR THE DISTRICT OF IDAHO**

UNITED STATES OF AMERICA,)	
)	No. 96-0122-N-EJL
)	
Plaintiff,)	No. 91-0342-N-EJL
)	
v.)	
)	
ASARCO INCORPORATED, et. al,)	
)	
Defendants.)	
)	
and Consolidated Case.)	
)	

**PARTIAL CONSENT DECREE WITH COEUR D'ALENE MINES
 CORPORATION, AND CALLAHAN MINING CORPORATION**

I. BACKGROUND

1. This Partial Consent Decree ("Consent Decree" or "Decree") is entered into by plaintiff the United States of America (the "United States" or "Plaintiff") and defendants Coeur d'Alene Mines Corporation ("CDA Mines") and Callahan Mining Corporation ("Callahan") as well as Coeur Silver Valley, Inc., a wholly owned subsidiary of CDA Mines (collectively "Coeur").

2. The United States has filed a Second Amended Complaint against Coeur d'Alene Mines, Corporation and Callahan Mining Corporation and other defendants in Case Number CIV-96-0122-N-EJL (D. Idaho), seeking (1) recovery under Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. § 9607, of response costs incurred or to be incurred by the United States Environmental Protection Agency ("EPA") or other federal agencies with respect to the Bunker Hill Facility (as defined in the Second Amended Complaint) in the Coeur d'Alene River Basin (the "Basin") in northern Idaho; and (2) damages under Sections 107(a)(4) and 107(f) of CERCLA, 42 U.S.C. § 9607(a)(4) & (f), and Section 311(f) of the Clean Water Act ("CWA"), 33 U.S.C. § 1321(f), for injury to, destruction of, or loss of natural resources at the Bunker Hill Facility as a result of releases of hazardous substances. Additionally, the parties wish to resolve claims the United States may have against Coeur Silver Valley, Inc. due to Coeur Silver Valley Inc.'s ownership interest in certain properties in the Basin. The Parties intend to resolve these potential claims along with the United States' claims against CDA Mines and Callahan. Accordingly, the Parties agree, and the Court by entering this Consent Decree orders, that the United States' Second Amended Complaint is amended to include Coeur Silver Valley, Inc. as a Defendant.

3. Pursuant to Section 105 of CERCLA, 42 U.S.C. § 9605, EPA placed the Bunker Hill Facility on the National Priorities List, set forth at 40 C.F.R. Part 300, Appendix B, by publication in the Federal Register on September 8, 1983.

4. In response to a release or a substantial threat of a release of a hazardous substance(s) at or from the Bunker Hill Facility, EPA has completed two Records of Decision which selected remedial actions for portions of the Facility in 1991 and 1992, and, presently anticipates issuing at least two further Records of Decision pertaining to other areas of the Facility during 2001. In addition, EPA has produced numerous action memoranda providing for time-critical and non-time critical response actions within the Bunker Hill Facility, which EPA contends are consistent with the National Contingency Plan at 40 C.F.R. Part 300.415. These include the Action Memorandum attached as Appendix 1. Moreover, prior to lodging of this Decree, the Parties have discussed an outline that generally describes the work plan to be required.

5. In accordance with the NCP and Section 121(f)(1)(F) of CERCLA, 42 U.S.C. § 9621(f)(1)(F), EPA notified the State of Idaho (the "State") on May 2, 2000, of negotiations with Coeur regarding the Bunker Hill Facility, and has provided the State with an opportunity to participate in such negotiations and be a party to this Consent Decree.

6. Coeur does not admit to any liability arising out of the transactions or occurrences alleged in the United States' Second Amended Complaint.

7. The United States and Coeur agree, and the Court by entering this Consent Decree finds, that this Consent Decree has been negotiated by the Parties in good faith, that settlement of this matter will avoid further prolonged and complicated litigation between the Parties, and that this Consent Decree is fair, reasonable, and in the public interest.

THEREFORE, with the consent of the Parties to this Decree, it is ORDERED,
ADJUDGED, AND DECREED:

II. JURISDICTION

8. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331, 1345, and 1355, 42 U.S.C. §§ 9607 and 9613(b), and 33 U.S.C. § 1321(n), and also has personal jurisdiction over CDA Mines, Callahan and Coeur Silver Valley, Inc. Coeur consents to and shall not challenge the entry of this Consent Decree or this Court's jurisdiction to enter and enforce this Consent Decree.

III. PARTIES BOUND

9. This Consent Decree is binding upon the United States and upon Coeur and Coeur's successors and assigns. Any change in ownership or other legal status (including corporate, partnership, joint venture, or otherwise), including but not limited to, any transfer of assets or real or personal property, shall in no way alter the status or responsibilities of Coeur under this Consent Decree. Coeur agrees to provide its successors and assigns written notice of this Consent Decree and to provide to the United States in accordance with Section XIX (Notices and Submissions) of this Consent Decree, notice of such transfer to successors or assigns promptly upon closing or announcement of the transfer.

IV. DEFINITIONS

10. Unless otherwise expressly provided herein, terms used in this Consent Decree which are defined in: (1) CERCLA or in regulations promulgated under CERCLA, or (2) the CWA or in regulations promulgated under the CWA, shall have the meaning assigned to them in

CERCLA or the CWA or their associated regulations. Whenever terms listed below are used in this Consent Decree or in any appendix attached hereto, the following definitions shall apply:

a. "Action Memorandum" or "Action Memo" means the decision document signed by EPA on April 10, 2001, identifying the time-critical removal actions to be performed upon the McFarran Gulch Property attached hereto as Appendix 1.

b. "Callahan" shall mean defendant Callahan Mining Corporation.

c. "CDA Mines" shall mean defendant Coeur d'Alene Mines Corporation.

d. "CERCLA" shall mean the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. §§ 9601, et seq.

e. "Coeur" shall mean Callahan Mining Corporation, Coeur d'Alene Mines, Corporation, and Coeur Silver Valley, Inc., a wholly owned subsidiary of Coeur d'Alene Mines, Corporation.

f. "Coeur d'Alene Basin" or "Basin" shall mean the watershed of the South Fork of the Coeur d'Alene River, the main stem of the Coeur d'Alene River and their flood plains and their tributaries including the lateral lakes and associated wetlands and Lake Coeur d'Alene.

g. "Consent Decree" or "Decree" shall mean this Partial Consent Decree and all appendices attached hereto. In the event of conflict between the Consent Decree and any appendix, the Consent Decree shall control.

h. "Day" shall mean a calendar day. In computing any period of time under this Consent Decree, where the last day would fall on a Saturday, Sunday, or federal holiday, the period shall run until the close of business of the next working day.

i. "EPA" shall mean the United States Environmental Protection Agency and any successor departments, agencies or instrumentalities of the United States.

j. "EPA Hazardous Substance Superfund" shall mean the Hazardous Substance Superfund established by the Internal Revenue Code, 26 U.S.C. § 9507.

k. "Facility" or "Bunker Hill Facility" shall mean the area identified as the "Bunker Hill Facility" in the Second Amended Complaint filed by the United States in this case, CIV-96-0122-N-EJL.

l. "Federal Trustees" shall mean the Secretary of Agriculture ("USDA") and the Secretary of the Interior ("DOI").

m. "Future Response Costs" shall mean all costs, including but not limited to, direct and indirect costs, that the United States incurs or pays for response actions in connection with the Facility after March 16, 2001.

n. "Interest" shall mean interest at the current rate specified for interest on investments of the Hazardous Substance Superfund established by 26 U.S.C. § 9507, compounded on a daily, monthly or annual basis.

o. "Natural resource damages" shall mean all damages recoverable under Section 107 of CERCLA, Section 311(f) of the Clean Water Act, or any other statute providing a similar cause of action on behalf of the public for injury to, destruction of, or loss of natural resources at the Facility under the trusteeship of DOI or USDA, including the costs of restoring, replacing or acquiring the equivalent of such natural resources; compensation for interim losses to the public during the time the resources have been or continue to be injured; and all reasonable costs of assessing such damages.

p. "Oversight Response Costs" shall mean all direct and indirect costs incurred by EPA after entry of this Consent Decree related to the Work; including overseeing the Work, verifying the Work and assuring that the Work, including the implementation of institutional controls, is carried out. The costs may include laboratory costs and payroll costs.

q. "Owned/Operated Property" shall mean the parcels of real property in the Coeur d'Alene Basin owned or controlled by Coeur as of March 16, 2001, as described in Appendix 2 to this Decree, and which are commonly referred to as the Galena Mine and Mill, the Coeur Mine and Mill and the Osburn Tailing Pond.

r. "Paragraph" shall mean a portion of this Consent Decree identified by an arabic numeral or an upper or lower case letter.

s. "Parties" shall mean the United States, Callahan Mining Corporation, Coeur d'Alene Mines Corporation, and Coeur Silver Valley, Inc.

t. "Past Response Costs" shall mean all costs, including but not limited to, direct and indirect costs, that the United States incurred and paid for response actions in connection with the Facility on or before the effective date of this Consent Decree and any accrued interest on such costs.

u. "Plaintiff" shall mean the United States.

v. "Section" shall mean a portion of this Consent Decree identified by a Roman numeral.

w. "United States" shall mean the United States of America, including all of its departments, agencies and instrumentalities.

x. "Waste Material" means (1) any "hazardous substance" under Section 101(14) of CERCLA, 42 U.S.C. § 9601(14); or (2) any pollutant or contaminant under CERCLA Section 101(33), 42 U.S.C. § 9601(33).

y. "Work" shall mean all actions by Coeur required under Section VII of this Consent Decree.

z. "Burns-Yaak Property" shall mean the property owned by Coeur Silver Valley, Inc., on the effective date of this Consent Decree and located within Shoshone County and more specifically described in Appendix 3.

aa. "McFarran Gulch Property" shall mean that property owned by Coeur Silver Valley, Inc., on the effective date of this Consent Decree and located within Shoshone County and more specifically described in Appendix 4.

V. STATEMENT OF PURPOSE

11. By entering into this Consent Decree, the mutual objective of the Parties is to achieve a fair and reasonable resolution (subject to the reservations specified herein) of the claims by the United States against Coeur in these actions, and of all potential claims or potential counterclaims by Coeur against the United States relating to the Facility, taking into account Coeur's financial circumstances.

VI. PAYMENTS AND OTHER CONSIDERATION FOR RESPONSE AND RESTORATION COSTS

12. Initial Payments. Coeur shall pay \$3,871,924 to the United States as follows:

a. Within fifteen (15) days of the effective date of this Consent Decree, Coeur shall deposit \$3,271,924 in an account established in the registry of the Court, for the benefit of EPA for Past and Future Response Costs, and for the benefit of the Federal Trustees for natural

resources damages at the Facility, pursuant to an Order to be issued under Rule 67 of the Federal Rules of Civil Procedure following the entry of this Consent Decree.

b. Within forty-five (45) days of the effective date of this Consent Decree, Coeur shall pay \$600,000 to the United States. This payment shall be made in accordance with Paragraph 25 below.

13. Payments Based on Future Production. Commencing five (5) years after the effective date of the Consent Decree and continuing until twenty (20) years after the effective date of this Decree, Coeur shall pay to the United States, on or before the thirtieth (30th) day (the "due date") after the conclusion of each calendar quarter, an amount equal to the sum of (a) two percent of the Net Smelter Returns (the "NSR") from all silver mined or processed by Coeur or for Coeur's account anywhere in the world during the calendar quarter, provided that the average market price for silver in that quarter equals or exceeds \$6.50 per ounce, and (b) \$5.00 per ounce for all gold mined or processed by Coeur or for Coeur's account anywhere in the world during the calendar quarter, provided that the average market price for gold in that quarter equals or exceeds \$325 per ounce. This obligation is intended to apply to any silver and gold production of Coeur or for Coeur's account, including but not limited to, subsidiaries and joint ventures of Coeur or any entity whose financial information is otherwise reported in Coeur's quarterly or annual reports with the Security and Exchange Commission. This obligation shall terminate when Coeur has paid \$3,000,000 to the United States under this Paragraph, or 20 years after the effective date of this Decree, whichever is sooner.

14. Coeur shall have the right to mine and market amounts of minerals and mineral-bearing ores and concentrates reasonably necessary for sampling, assaying, metallurgical testing and evaluating the minerals potential of any property without initiating the obligation to make payments pursuant to Paragraph 13.

15. No later than four years and six months after the effective date of this Consent Decree, representatives of Coeur and the United States shall meet, upon the written request of any party, for the purpose of having Coeur provide information to the United States as to where, at that time, silver and gold production is being generated. When the United States is satisfied that it understands the facts, Coeur will cause the necessary documents to be executed which conform to the payment obligations expressed in Paragraph 13 above, in a mutually acceptable form. Should the Parties not be able to agree to a form, the form used will be the form attached in Appendix 5. The form will be recorded in the land title office in each appropriate geographical location promptly upon its being approved by the United States, and no later than five years from the effective date of this Consent Decree. In the event production is generated in a foreign country and the form of Appendix 5 does not conform to that which is required in the foreign country, Coeur shall submit an appropriate form to the United States for its approval, which complies with the laws of the foreign country and serves the same purpose as Appendix 5. The United States agrees to promptly, and forthwith, execute the appropriate document to discharge the encumbrances created by the forms executed pursuant to this Paragraph as soon as the obligations of Paragraph 13 above are terminated, and deliver such documents to Coeur. The Parties agree that the necessary form is intended to (a) provide notice to third parties of Coeur's obligations under Paragraph 13; and, (b) create a secured interest in the income from the sale of

the gold and silver. The Parties also agree that the intent of the form is not to create any possessory or ownership interest in the mining operations.

16. With each quarterly payment, Coeur, shall furnish a calculation sheet detailing the calculation of the payment amount. This calculation will include the relevant silver and gold prices, production quantities, NSR costs (as identified in Paragraph 19), and a specific description of how Coeur proposes to allocate the NSR costs to the silver. At that time, Coeur shall provide the source materials and references supporting the computations. In the event Coeur fails to make a payment by the due date, Coeur shall pay Interest from the due date until full payment has been made.

17. The calculation of the average market price for silver, in accordance with Paragraph 13(a), shall be made as follows: The daily quotations to be averaged shall be taken from the Handy and Harmon New York official quotation as published in Metals Week (or its recognized successor in the publications of silver quotations) for that calendar quarter. Intermediate calculations should be carried to 4 decimal places.

18. The calculation of the average market price for gold, in accordance with Paragraph 13(b), shall be made as follows: The daily quotations to be averaged shall be taken from the Handy and Harmon New York official quotation as published in Metals Week (or its recognized successor in the publications of gold quotations) for that calendar quarter. The Parties also agree that intermediate calculations should be carried to 4 decimal places.

19. The term "Net Smelter Returns" shall mean the net amount paid to Coeur by a smelter or other purchaser for minerals mined by Coeur or for Coeur's account after deductions for the following costs paid by or charged to Coeur (whether paid or incurred by Coeur or by the

smelter or other purchaser in the first instance): (i) all smelting, refining, treatment, selling and other costs, charges, and penalties charged by the smelter or other purchaser for such minerals, (ii) all costs of loading, transporting, and insuring such minerals and mineral-bearing substances from the mining operation to the smelter or other purchaser; and (iii) all taxes paid by Coeur on such minerals or mineral-bearing substances, except income taxes, including, but not limited to, production, severance, sales, and privilege taxes.

20. Whenever minerals or mineral-bearing substances are delivered for direct sale or future processing thereof to a processing or sales facility owned or controlled by Coeur or which possesses or sells such minerals or mineral-bearing substances for Coeur on a toll basis, the Net Smelter Returns from such sale shall be an amount not less than the amount which would have been realized by Coeur if the sale had been to the nearest independent purchaser of such product; in such case, Coeur may deduct amounts not to exceed the charges, costs, and expenses permitted under the preceding sentence.

21. Coeur shall make payments within thirty (30) days after the end of the calendar quarter in which proceeds from the sale of minerals or mineral-bearing substances are realized. At such time, Coeur shall provide the United States with a statement showing in reasonable detail the computation of the payments. At that time Coeur shall describe its allocation of costs of the cost items specified in Paragraph 19(i), (ii) and (iii) above. Each quarterly statement furnished to the United States shall be deemed to be correct and binding on the United States unless the United States within ninety (90) days of its receipt, notifies Coeur in writing that the United States disputes the correctness of such statement or allocation and specifies its objections in detail. Any such dispute shall be subject to the Dispute Resolution provisions of this Decree.

22. Coeur shall maintain true and correct records of all minerals and mineral-bearing substances mined and sold from any relevant mining operation and Coeur shall allow the United States to inspect, at the United States' expense, the books and records of Coeur which are pertinent to the determination of the payments due pursuant to paragraph 13 at any reasonable time during normal business hours, provided such inspection is conducted by the United States or by an accounting firm of recognized standing, at least one of whose members is a member of the American Institute of Certified Public Accountants, and provided such inspection does not interfere unreasonably with Coeur's operations or procedures.

23. Any metal produced through the re-working of old tailings, waste rock, re-processing, or by any other means shall be included in the produced ounces, pounds, or tons for purposes of the NSR payment calculation.

24. Insurance Recoveries. Coeur shall pay to the United States fifty percent (50%) of any money or other compensation in excess of \$600,000 received by Coeur after March 16, 2001 on account of insurance claims relating to the Facility, other than payments for litigation defense costs and attorneys' fees.

25. Method of payment.

a. Payments to the United States shall be made by FedWire Electronic Funds Transfer ("EFT") to the U.S. Department of Justice account in accordance with instructions to be provided to Coeur by the United States following the lodging of this Consent Decree. In general, Coeur will be required in those instructions to divide each payment to the United States into specified percentages for EPA and the Federal Trustees and to transmit those percentages in accordance with current EFT procedures to each specified Federal account, referencing, and U.S.A.O. File

Number 1999V00063 , DOJ Case #90-11-3-128L, and either (i) EPA Region 10 and Site Spill ID #102Q or (ii) DOI Account Number 14x5198 (NRDAR), Bunker Hill, Coeur d'Alene, Idaho, Coeur, as appropriate. Any payments received by the Department of Justice after 4:00 p.m. Eastern Time shall be credited on the next business day. Coeur shall send written notice to the United States that payment has been made in accordance with Section XIX (Notices and Submissions) and to the following:

Regional Financial Management Officer
U.S. EPA Region 10
1200 Sixth Avenue
Seattle, Washington 98101

Department of the Interior
National Business Center
Division of Financial Management Services
Branch of Accounting Operations (Mailstop 1313)
1849 C Street, N.W.
Washington, D.C. 20240

If at the time the payments are due from Coeur the United States has not yet determined the specific division of such proceeds between EPA and the Federal Trustees, The United States shall take the necessary steps to create an account in the registry of this Court and Coeur shall make payments to that account per instructions from the United States.

b. Whether the payments received on behalf of EPA pursuant to this Consent Decree are made directly from Coeur or from the Court registry, such payments shall be deposited in the Coeur d'Alene Basin Special Account within the EPA Hazardous Substances Superfund, to be retained or used to conduct or finance response actions at or in connection with the Facility or to be transferred by EPA to the EPA Hazardous Substances Superfund.

c. Whether the payments received on behalf of the Federal Trustees pursuant to this Consent Decree are made directly from Coeur or from the Court registry, such payments shall be deposited in Department of the Interior Natural Resource Damage Assessment and Restoration Fund, to be used for the costs of restoring, replacing or acquiring the equivalent of natural resources injured in the Coeur d'Alene Basin, and reimbursing costs for assessing natural resource damages.

26. Use and Transfer of Burns-Yaak Property. Commencing on the effective date of this Consent Decree, and in consideration of the settlement of claims asserted by the United States, Coeur shall allow EPA, the State of Idaho's Department of Environmental Quality and their contractors and designated representatives unrestricted access to the Burns-Yaak Property necessary to design and construct a waste repository on all or any portion of that property, to serve as a potential permanent disposal site for contaminated soils and other materials contaminated with hazardous substances that have been removed from locations in the Facility in connection with response actions performed or approved by EPA or restoration work performed by or under the supervision of the Federal Trustees. Nothing in this Consent Decree grants the United States the right to dispose of any hazardous substances at such a waste repository while title to the Burns-Yaak Property remains with Coeur. Nothing in this Consent Decrees requires that a waste repository be built on the Burns-Yaak Property.

27. Within 30 days of the effective date of this Consent Decree, Coeur shall record with the Recorder's Office of Shoshone County, Idaho, a Notice of Right-Of-Access and Institutional Controls, setting forth that the Burns-Yaak Property is subject to this Consent

Decree. Thereafter, each deed, title, or other instrument conveying an interest in the Burns-Yaak Property shall contain a copy of said Notice, which shall run with the land.

28. No interest in the Burns-Yaak Property may be transferred or conveyed without prior notice to and written approval from EPA. Notice of a proposed transfer or conveyance of an interest in the Burns-Yaak Property shall be provided to EPA at least 60 days before the proposed date of transfer or conveyance. Notice shall be provided to EPA in writing, addressed to the following:

Remedial Project Manager
Coeur d'Alene River Basin
1200 Sixth Avenue, ECL
Seattle, WA 98101

Such prior written notice shall include the name of the grantee and a certification that the grantee has been provided with copies of this Consent Decree and advised of the obligations under this Consent Decree pertaining to the Burns-Yaak Property. Prior to any transfer or conveyance of the Burns-Yaak Property, Coeur shall obtain a written agreement, signed by the grantee, to ensure the continued access and to the Burns-Yaak Property and Institutional Controls as provided in this Paragraph and Paragraph 34.

29. Upon direction from the United States after the effective date of this Consent Decree, and in consideration of the settlement of claims asserted by the United States, Coeur shall convey or cause to be conveyed good and marketable title to the Burns-Yaak Property through a warranty deed. In the event title is defective, Coeur shall be afforded a reasonable time to cure the defect. Such conveyance shall be made to a party identified by the United States, consistent with written instructions to be provided by the United States. Should the transfer be made to the United States, Coeur shall transfer to the United States title acceptable to the

Attorney General as required by 40 U.S.C. 255, to all real property interests, including mineral interests, comprising the Property. Should the United States direct that the transfer be made to any third party, Coeur shall coordinate and cooperate as necessary and reasonable to ensure such transfer is accomplished and all proceeds from that transfer shall be directed to the United States, unless otherwise instructed in writing by the United States. Coeur shall bear all costs associated with the transfer, including the costs of the title search, survey and title insurance.

30. If during the construction of a waste repository it becomes necessary to alter a portion of the Burns-Yaak Property in such a manner as to require the removal of merchantable timber, the United States agrees that it will provide Coeur with the right of first refusal to harvest such timber and to keep the proceeds from the sales of such timber. However, nothing in this Paragraph obligates the United States to incur any costs or make any payments to Coeur in connection with making the offer to Coeur.

31. Should Coeur wish to exercise this right of first refusal, it must: (a) within 15 days after this right of first refusal has been offered, inform the United States of its intent to harvest, and (b) coordinate and cooperate any harvesting effort with the United States to ensure that the harvesting is limited to the designated areas and that the harvesting does not adversely affect the integrity of any response action being taken or to be taken.

32. This right of first refusal expires 20 years following the effective date of this Consent Decree.

33. Should the Burns-Yaak Property be transferred to a party other than the United States, the transferee must agree to the terms of paragraphs 30 and 32 as a condition of acquiring

title to the property. However, nothing in this Paragraph obligates the United States to incur any costs or make any payments to any such third party.

34. Institutional Controls. Coeur shall take such actions as the United States directs to secure Institutional Controls upon the Burns-Yaak and McFarran Gulch Properties, consistent with this Decree and the Action Memo (Appendix 1) and approved Work Plan (Paragraph 39). Such actions shall include prohibiting residential development or any development that reasonably could be expected to attract children or recreational uses, including but not limited to, parks, playgrounds, and other attractive nuisances all as specified in the Action Memo (Appendix 1). Additionally as to the Burns-Yaak Property, Coeur shall also take actions to prohibit any commercial or industrial use of the property, including but not limited to any logging on that property.

35. Upon the request of the United States, the obligations of Coeur pursuant to this Paragraph shall include, without limitation, the filing and recording with Shoshone County of declarations of covenants, conditions, easements and restrictions regarding the Burns-Yaak and McFarran Gulch Properties that run with the land and set forth the Institutional Controls applicable thereto to the extent specified in this Decree and the Action Memo (Appendix 1). Coeur shall obtain the approval of the United States as to the content and form of the declarations prior to the filing and recording. Coeur agrees to submit draft declarations of covenants, conditions, easements and restrictions within 21 days of any such request by the United States, and to record these as approved by the United States within 15 days of approval by the United States. The forms shall be in accordance with those attached within Appendix 6. Declarations

required to be filed pursuant to this Paragraph shall conform with local and state law in order to create enforceable property restrictions that run with the land.

36. Coeur shall not use any portion of the McFarran Gulch Property in any manner that EPA determines would adversely affect the integrity of any response action conducted upon the McFarran Gulch Property.

37. After the effective date of this Consent Decree, Coeur shall not use or conduct any activities upon the Burns-Yaak Property unless Coeur provides no less than 21 days advance notice to EPA, and EPA determines in advance and in writing that a specific use or activity would not adversely affect the integrity of a response action including, but not limited to, the design, construction of or future use of a waste repository. The existing leased use of the Burns-Yaak Property by F & H Mine Supply, Inc. for the storage of surplus mining equipment and parts, may continue until such time as EPA, in its unreviewable discretion gives notice to Coeur to terminate that use.

VII. WORK TO BE PERFORMED

38. Cleanup Work. Coeur shall conduct removal actions consistent with the Action Memorandum, and in accordance with a Work Plan developed and approved pursuant to the following paragraph.

39. Work Plan and Implementation: Within 10 days after the date of lodging of this Consent Decree, Coeur shall submit to EPA for approval a draft plan (the "Work Plan") for the Work at the McFarran Gulch Property identified in the Action Memo. The draft Work Plan shall provide a description of, and an expeditious schedule for the Work. EPA, within 15 days of receipt of the draft plan, at its discretion subject to the provisions of this Consent Decree, may

approve, disapprove, require revisions to, or modify the draft Work Plan. Coeur shall implement the Work Plan as finally approved by EPA. Once approved, or approved with modifications, the Work Plan, the schedule, and any subsequent modifications shall be fully enforceable under this Consent Decree. Coeur shall notify EPA prior to performing any activity pursuant to the EPA-approved Work Plan. Coeur shall not undertake any work at the McFarran Gulch Property pursuant to the Work Plan without prior EPA approval.

40. Health and Safety Plan: Within 20 days after approval of the Work Plan, Coeur shall submit for EPA review and comment a plan that ensures the protection of the public health and safety during performance of the Work required pursuant to this Consent Decree. This plan shall be prepared in accordance with current EPA guidelines and shall comply with all current applicable Mine Safety and Health Administration regulations. Coeur shall incorporate all changes to the plan recommended by EPA, and implement the plan during the performance of the activities at the McFarran Gulch Property.

41. Quality Assurance Plan: All sampling and analysis performed pursuant to this Consent Decree shall conform to EPA direction, approval, and guidance regarding sampling, quality assurance/quality control (QA/QC), data validation, and chain of custody procedures. Coeur shall ensure that any laboratory used to perform analysis complies with EPA's Contract Laboratory Program (CLP). Coeur shall submit to EPA the results of all sampling or tests and all other data collected or generated by or on behalf of Coeur in connection with this Consent Decree to EPA within twenty (20) days of receipt by Coeur.

42. Upon request by EPA, Coeur shall have a CLP-compliant laboratory analyze samples submitted by EPA for quality assurance monitoring. Upon request by EPA, Coeur shall provide

to EPA the QA/QC procedures followed by all sampling teams and laboratories performing data collection and/or analysis.

43. Upon request by EPA, Coeur shall provide to EPA or its authorized representative split or duplicate samples of any samples collected by Coeur while performing activities at the McFarran Gulch Property. Coeur shall notify EPA not less than 5 days in advance of any sample collection activity. EPA shall have the right to take any additional samples that it deems necessary.

44. Before any off-site shipment of Waste Material from the McFarran Gulch Property to an out-of-state waste management facility, unless the total of all such shipments will not exceed ten cubic yards, Coeur shall provide written notification of the shipment to the appropriate state environmental official in the receiving facility's state and to EPA. Coeur shall include in the written notification the following information, where available: (1) the name and location of the facility to which the Waste Material is to be shipped; (2) the type and quantity of the Waste Material to be shipped; (3) the expected schedule for the shipment of the Waste Material; and (4) the method of transportation. Coeur shall notify the state in which the planned receiving facility is located of major changes in the shipment plan, such as a decision to ship the Waste Material to another facility within the same state, or to a facility in another state.

45. Progress Reports: Beginning 30 days after the effective date of this Consent Decree, Coeur shall submit written progress reports to EPA concerning cleanup activities undertaken pursuant to this Consent Decree until such activities are fully completed. These progress reports shall be submitted every 30 days during the cleanup activities at the McFarran Gulch Property. These progress reports shall describe all significant developments during the preceding period;

work performed and problems encountered; the actual work completed and any problems encountered in completing the work; the developments anticipated and the work scheduled during the next reporting period; and a schedule of completion for the unfinished work from the preceding period and work to be performed, anticipated problems and planned resolutions of past and anticipated problems. Each of these reports shall be submitted within 48 hours of the end of each corresponding reporting period. Progress reports may be transmitted by fax followed by first class mail.

46. Work Takeover. In the event EPA determines that Coeur has ceased implementation of any portion of the Work, is seriously or repeatedly deficient or late in its performance of the Work, or is implementing the Work in a manner which may cause an endangerment to human health or the environment, EPA may assume the performance of all or any portions of the Work as EPA determines necessary. Coeur may invoke the procedures set forth in Paragraph 63 (Disputes relating to Work), to dispute EPA's determination that takeover of the Work is warranted under this Paragraph. Coeur shall reimburse EPA for all costs incurred by the EPA in performing the Work pursuant to this Paragraph within 30 days after receiving a demand for such payment and a summary of such costs as provided for in Section IX (Payment of Oversight Response Costs).

VIII. CERTIFICATION OF COMPLETION

47. Final Report. Within 30 days after completion of the Work required pursuant to this Consent Decree, Coeur shall submit for EPA review and approval a final report summarizing the actions taken to comply with this Consent Decree. The final report shall include a good faith estimate of total costs or a statement of actual costs incurred in performing the Work, a detailed

description of all work performed, a presentation of analytical results of all sampling and analysis performed, and accompanying appendices containing all relevant documentation generated during performance of the Work (e.g., manifests, invoices, bills, contracts, and permits). The final report shall also include the following certification signed by a person who supervised or directed the preparation of that report:

"Under penalty of law, I certify that to the best of my knowledge, after appropriate inquiries of all relevant persons involved in the preparation of the report, the information submitted is true, accurate, and complete in all material respects. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

48. a. If, after reviewing the final report submitted pursuant to the preceding Paragraph, EPA, after reasonable opportunity for review and comment by the State, determines that the Work or any portion thereof has not been completed in accordance with this Consent Decree, EPA will notify Coeur in writing of the activities that must be undertaken by Coeur pursuant to this Consent Decree to complete the Work, consistent with approved Work Plan. Coeur shall perform all activities described in the notice in accordance with the approved Work Plan, subject to their right to invoke the dispute resolution procedures set forth in Section IX (Dispute Resolution).

b. If EPA concludes, based on review of the final report and after a reasonable opportunity for review and comment by the State, that the Work has been performed in accordance with this Consent Decree, EPA will promptly so certify in writing to Coeur. This certification shall constitute the certification of completion of Work for purposes of Section X (Covenants Not to Sue by Plaintiff).

49. Emergency Response and Notification of Releases: If any incident, or change in conditions, during activities conducted pursuant to this Consent Decree causes or threatens to cause an additional release of hazardous substances from the McFarran Gulch Property or an endangerment to the public health, welfare, or the environment, Coeur shall immediately take all appropriate action in order to abate or minimize such release or endangerment caused or threatened by the release. Coeur shall also immediately notify EPA of the incident or change in conditions. Coeur shall submit a written report to EPA within 7 days after each release, setting forth the events that occurred and the measures taken or to be taken to mitigate any release or endangerment caused or threatened by the release and the measures to prevent the reoccurrence of such a release. These reporting requirements are in addition to the reporting required by CERCLA Section 103, 42 U.S.C. § 9603 or EPCRA Section 304, 42 U.S.C. § 11004.

IX. PAYMENTS FOR OVERSIGHT RESPONSE COSTS

50. Coeur shall pay to EPA all Oversight Response Costs not inconsistent with the National Contingency Plan. On a periodic basis EPA will send to Coeur a bill requiring payment that includes a Superfund Cost Recovery Package Imaging and On-line System (SCORPIOS) or such other financial summary certified by EPA. Coeur shall make all payments within 30 days of Coeur's receipt of each bill requiring payment, except as otherwise provided in Paragraph 51. Coeur shall make all payments required by this Paragraph by a certified or cashier's check or checks made payable to "EPA Hazardous Substance Superfund," referencing the name and address of the party making the payment, EPA Site/Spill ID Number 102Q, and DOJ Case Number 90-11-3-128L. Coeur shall send the check(s) to:

Mellon Bank
EPA Region 10

ATTN: Superfund Accounting
P.O. Box 360903M
Pittsburgh, PA PA 15251

At the time of payment, Coeur shall send notice that payment has been made to the EPA and United States, in accordance with Section XX (Notices and Submissions) and to the following:

Regional Financial Management Officer
U.S. EPA Region 10
1200 Sixth Avenue
Seattle, WA 98101

51. Coeur may contest payment of any Oversight Response Costs under Paragraph 50 if it determines that EPA has made an accounting error or if it alleges that a cost item that is included represents costs that are inconsistent with the NCP.

a. Such objection shall be made in writing within 30 days of receipt of the bill and must be sent to EPA and the United States pursuant to Section XIX (Notices and Submissions). Any such objection shall specifically identify the contested Oversight Response Costs and the basis for objection. In the event of an objection, Coeur shall within the 30 day period pay all uncontested Oversight Response Costs in the manner described in Paragraph 50. Simultaneously, Coeur shall establish an interest-bearing escrow account in a federally-insured bank duly chartered in the State of Idaho and remit to that escrow account funds equivalent to the amount of the contested Oversight Response Costs. Coeur shall send to EPA and the United States, as provided in Section XIX (Notices and Submissions) a copy of the transmittal letter and check paying the uncontested Oversight Response Costs, and a copy of the correspondence that establishes and funds the escrow account, including, but not limited to, information containing the identity of the bank and bank account under which the escrow account is established as well as a bank statement showing the initial balance of the escrow account. Simultaneously with

establishment of the escrow account, Coeur shall initiate the Dispute Resolution procedures in Section XI (Dispute Resolution).

b. If EPA prevails in the dispute, within 5 days of the resolution of the dispute, Coeur shall pay the sums due (with accrued interest) to EPA in the manner described in Paragraph 50. If Coeur prevails concerning any aspect of the contested costs, Coeur shall pay that portion of the costs (plus associated accrued interest) for which it did not prevail to EPA in the manner described in Paragraph 50. Coeur shall be disbursed any balance of the escrow account. The dispute resolution procedures set forth in this Paragraph in conjunction with the procedures set forth in Section XI (Dispute Resolution) shall be the exclusive mechanisms for resolving disputes regarding Coeur's obligation to reimburse EPA for its Oversight Response Costs.

52. In the event that the payments required by Paragraph 50 (Oversight Response Costs) are not made within 30 days of Coeur's receipt of the bill, Coeur shall pay Interest on the unpaid balance. The Interest on Oversight Response Costs shall begin to accrue on the date of the bill. The Interest shall accrue through the date of Coeur's payment. Payments of Interest made under this Paragraph shall be in addition to such other remedies or sanctions available to Plaintiff by virtue of Coeur's failure to make timely payments under this Section. Coeur shall make all payments required by this Paragraph in the manner described in Paragraph 50.

X. STIPULATED PENALTIES

53. In the event that Coeur fails to comply with any requirement under Section VI of this Consent Decree (Payments and Other Consideration), or in the event Coeur fails to perform the Work required under Section VII (Work to be Performed) properly by the deadlines set forth

in that Section or in the Work Plan approved by EPA under that Section, Coeur shall pay to EPA stipulated penalties in the following amounts for each day of every such violation:

<u>Period of Noncompliance</u>	<u>Penalty Per Violation Per Day</u>
1st through 30th day	\$ 200
31 st through 60th day	\$ 750
Beyond 60 days	\$ 2,500

54. Stipulated penalties shall begin to accrue on the day that performance is due or noncompliance occurs, and shall continue to accrue through the final day of correction of the noncompliance, provided, however, that if a dispute under this Consent Decree is submitted to the Court for resolution in accordance with Section XI, stipulated penalties shall not accrue with respect to the disputed obligation during the period, if any, beginning on the date of the Court's receipt of the final submission regarding the dispute until the date the Court issues a final decision on the dispute. Nothing herein shall prevent the simultaneous accrual of separate penalties for separate violations of this Consent Decree.

55. All penalties due the United States under this Section shall be paid within thirty (30) days of receipt by Coeur of notification of noncompliance. Interest shall begin to accrue on the unpaid balance at the end of the 30-day period.

56. a. Stipulated penalties due to EPA under this Section shall be paid by certified or cashier's check made payable to "EPA Hazardous Substances Superfund," shall be mailed to: Mellon Bank, EPA Region 10, ATTN: Superfund Accounting, P.O. Box 360903M, Pittsburgh, Pennsylvania 15251; shall indicate that the payment is for stipulated penalties, and shall reference the EPA Region and Site/Spill ID #102Q, DOJ Case Number 90-11-3-128L, and the name and address of the party making payment.

b. Stipulated penalties due to the United States shall be paid by electronic funds transfer in accordance with instructions to be provided by the Financial Litigation Unit of the U.S. Attorney's Office for the District of Idaho, referencing U.S.A.O. File #1999V00063 and DOJ Case #90-11-3-128L and indicating that the payment is for stipulated penalties.

57. The payment of stipulated penalties shall not alter in any way Coeur's obligation to complete the performance of the Work or any other obligations of Coeur under this Consent Decree. Likewise, the fact that Coeur becomes liable for a stipulated penalty does not alter any obligation of the United States or EPA under this Decree.

58. In the event that EPA assumes performance of a portion or all of the work pursuant to Paragraph 46, Coeur shall be liable for a stipulated penalty in the amount of \$100,000.

59. Nothing in this Consent Decree shall be construed as prohibiting, altering, or in any way limiting the ability of the United States to seek any other remedies or sanctions available to enforce Coeur's obligations under this Consent Decree, including, but not limited to, contempt and/or penalties pursuant to Section 122(l) of CERCLA; provided, however, that the United States shall not seek civil penalties pursuant to Section 122(l) of CERCLA for any violation for which a stipulated penalty is provided herein, except in the case of a willful violation of the Consent Decree. Notwithstanding any other provision of this Section, EPA or the United States, may, in its unreviewable discretion, waive any portion of stipulated penalties that are due to it under this Consent Decree.

XI. DISPUTE RESOLUTION

60. Unless otherwise expressly provided for in this Consent Decree or otherwise agreed in writing by the Parties with respect to a particular dispute, the dispute resolution procedures of

this Section shall be the exclusive mechanism to resolve disputes arising under or with respect to this Consent Decree. However, the procedures set forth in this Section shall not apply to actions by the United States to enforce obligations of Coeur that have not been disputed in accordance with this Section.

61. Any dispute which arises under or with respect to this Consent Decree shall in the first instance be the subject of informal negotiations between the parties to the dispute. The period for informal negotiations shall not exceed 30 days from the time the dispute arises, unless it is modified by written agreement of the parties to the dispute. The dispute shall be considered to have arisen when one party sends the other parties a written Notice of Dispute.

62. In the event that the parties cannot resolve a dispute by informal negotiations under the preceding Paragraph, then the position advanced by EPA on the disputed matter shall be considered binding unless, within ten (10) days after the conclusion of the informal negotiation period, Coeur invokes the formal dispute resolution procedures of this Section by serving on EPA and the United States a written Statement of Position on the matter in dispute, including, but not limited to, any factual data, analysis or opinion supporting that position and any supporting documentation relied upon by Coeur.

63. Disputes relating to the Work. With respect to any dispute relating to the Work, following receipt of Coeur's Statement of Position, the Director of the Office of Environmental Cleanup, EPA Region 10, will compile an administrative record for the dispute and issue a decision resolving the dispute. The Director's decision shall be binding on Coeur unless, within fifteen (15) days of receipt of the decision, Coeur files with the Court and serves on the parties a motion for judicial review of the decision setting forth the matter in dispute, the efforts made by

the parties to resolve it, the relief requested, and the schedule, if any, within which the dispute must be resolved to ensure orderly implementation of the Consent Decree. The United States may file a response to Coeur's motion. In proceedings on any dispute relating to the Work, Coeur shall have the burden of demonstrating on the administrative record that the EPA's position is arbitrary and capricious or otherwise not in accordance with the law.

64. Other disputes. With respect to any dispute under this Consent Decree not relating to the Work, following receipt of Coeur's Statement of Position, EPA shall serve upon Coeur a written statement of its position on the dispute. EPA's position shall be binding on Coeur unless, within thirty (30) days after receipt of EPA's statement of position, Coeur files with the Court and serves on the United States' a motion for judicial review of the decision setting forth the matter in dispute, the efforts made by the parties to resolve it, the relief requested, and the schedule, if any, within which the dispute must be resolved to ensure orderly implementation of the Consent Decree. The United States may file a response to Coeur's motion. Judicial review of any dispute governed by this Paragraph shall be governed by applicable principles of law.

65. The invocation of formal dispute resolution procedures under this Section shall not extend, postpone or affect in any way any obligation of Coeur under this Consent Decree, not directly in dispute, unless the United States agrees or the Court rules otherwise. Except as provided in Paragraph 54 with respect to disputes submitted to the Court, stipulated penalties with respect to the disputed matter shall continue to accrue, but payment shall be stayed pending resolution of the dispute. Notwithstanding the stay of payment, stipulated penalties shall accrue (except as provided in Paragraph 54) from the first day of noncompliance with any applicable provision of this Consent Decree. Stipulated penalties shall be assessed and paid as provided in

Section X (Stipulated Penalties), except that no penalty shall be paid to the extent Coeur prevails on the disputed issue.

XII. COVENANTS NOT TO SUE BY PLAINTIFF

66. Except as specifically provided in Section XIII (Reservation of Rights by Plaintiff), the United States covenants not to sue or to take any administrative action against Callahan Mining Corporation, Coeur d'Alene Mines Corporation, and Coeur Silver Valley, Inc. and their successors under Sections 106 and 107 of CERCLA, 42 U.S.C. §§ 9606, 9607, Section 7003 of Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. § 6973, Section 311(f) of the Clean Water Act, 33 U.S.C. § 1321(f), or under any other statute providing a cause of action for natural resource damages on behalf of the public, for the performance of response actions or the recovery of past or future response costs or natural resource damages at the Facility. This covenant not to sue shall take effect upon receipt of the payments required by Paragraph 12, except as provided in this Paragraph. With respect to the McFarran Gulch Property, this covenant not to sue shall be effective upon certification by EPA that Coeur has completed the Work in accordance with the approved Work Plan and this Decree.

XIII. RESERVATION OF RIGHTS BY PLAINTIFF

67. Notwithstanding any other provision of this Consent Decree, the United States' covenants not to sue set forth in Section XII shall not apply to, and the United States reserves all rights with respect to:

- (i) liability of Coeur based on a failure to meet a requirement of the Consent Decree;
- (ii) criminal liability;

(iii) liability of Coeur within the actual boundaries of the Owned/Operated Property; and,

(iv) liability for the release of hazardous substances by Coeur at the Facility after the effective date of the Consent Decree, except for (a) releases from Waste Material placed in a waste repository pursuant to a CERCLA response action approved or constructed by EPA; or (b) seepage from the Osburn and Galena Ponds tailings impoundments unless such seepage is found to exceed the levels known by EPA to exist as of the date of lodging of this Consent Decree. For the purposes of this Paragraph, "known by EPA" shall mean information identified in documents contained in the Administrative Record file for the Coeur d'Alene Basin-wide RI/FS, or presented in any deposition or trial testimony (through March 22, 2001) in this action or in any document utilized in any deposition or during trial testimony (through March 22, 2001) in this action, or documents submitted by Coeur to EPA.

68. Notwithstanding any other provision of this Consent Decree, the United States reserves, and this Consent Decree is without prejudice to, the right to re-institute or reopen these actions, or to commence new actions, if the certification made by Coeur in XVIII is misleading, false or materially incomplete.

XIV. COVENANTS NOT TO SUE BY COEUR

69. Coeur covenants not to sue and agrees not to assert any claims or causes of action against the United States or its contractors or employees, with respect to the Facility or this Consent Decree, including but not limited to:

a. any direct or indirect claim for reimbursement from the EPA Hazardous Substance Superfund based on Sections 106(b)(2), 107, 111, 112, or 113 of CERCLA, 42 U.S.C. §§ 9606(b)(2), 9607, 9611, 9612, or 9613, or any other provision of law;

b. any claim arising out of response actions at the Facility for which Past or Future Response Costs were or will be incurred or out of actions to restore, replace, or acquire the equivalent of injured natural resources at the Facility performed or approved by the Federal Trustees; and

c. any claim against the United States, including any of its departments, agencies, or instrumentalities, pursuant to Sections 107 and/or 113 of CERCLA, 42 U.S.C. §§ 9607 and/or 9613, relating to the Facility.

d. any claim (if any) arising under the U.S. Constitution, Tucker Act (28 U.S.C. § 1491), or under any other federal, state, or common law, alleging that the United States' exercise of its right of access to, or any other rights under this Decree regarding, the Burns-Yaak and McFarran Gulch Properties pursuant to this Consent Decree, or the imposition of Institutional Controls, pursuant to this Consent Decree, constitutes a taking or inverse condemnation of private property, including but not limited to any claims based on an alleged diminution of property value.

70. Nothing in this Consent Decree shall be deemed to constitute approval or preauthorization of a claim within the meaning of Section 111 of CERCLA, 42 U.S.C. § 9611, or 40 C.F.R. § 300.700(d).

71. Coeur's covenant not to sue set forth above shall not apply in the event that the United States brings a cause of action against Coeur pursuant to their reservations of rights in Section XIII of this Consent Decree, but only to the same extent and with respect to the same transaction or occurrences as are raised in the claim of the United States pursuant to those reservations.

XV. EFFECT OF SETTLEMENT/CONTRIBUTION PROTECTION

72. Coeur shall be entitled to protection from contribution actions or claims as provided by CERCLA § 113(f)(2) for matters addressed by this Consent Decree. Matters addressed by the Consent Decree for purposes of contribution protection shall include all claims or causes of action under Sections 106 and 107 of CERCLA, Section 7003 of RCRA, and Section 311(f) of the Clean Water Act for injunctive relief, response costs, or natural resource damages with respect to the Facility except for conditions within the boundaries of the Owned/Operated Property.

73. Nothing in this Consent Decree shall be construed to create any rights in, or grant any cause of action to, any person not a Party to this Consent Decree. The preceding sentence shall not be construed to waive or nullify any rights that any person not a signatory to this decree may have under applicable law. Each of the Parties expressly reserves any and all rights (including, but not limited to, any right to contribution), defenses, claims, demands, and causes of action which each Party may have with respect to any matter, transaction, or occurrence relating in any way to the Facility against any person not a Party hereto.

74. In any subsequent administrative or judicial proceeding initiated by the United States for injunctive relief, recovery of response costs, or other appropriate relief relating to the Facility, Coeur shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, res judicata, collateral estoppel, issue preclusion, claim-splitting, or other defenses based upon any contention that the claims raised by the United States in the subsequent proceeding were or should have been brought in the instant case; provided, however, that nothing in this Paragraph affects the enforceability of the covenants not to sue set forth in Section XII (Covenants Not to Sue by Plaintiff).

XVI. SITE ACCESS

75. Commencing on the date of lodging of this Consent Decree, Coeur agrees to provide the United States and its representatives, including EPA and its contractors, access at all reasonable times to the Burns-Yaak and McFarran Gulch Properties which is determined by EPA to be required for the implementation of this Consent Decree, or for the purpose of conducting any response activity related to the Facility, including, but not limited to, the following:

- a. Monitoring of investigation, removal, remedial, or other activities at the Facility;
- b. Verifying any data or information submitted to the United States;
- c. Conducting investigations relating to contamination;
- d. Obtaining samples, including, but not limited to, soils, sediments, surface waters, and groundwater samples;
- e. Assessing the need for, planning, or implementing response actions;
- f. Inspecting and copying records, operating logs, contracts, or other documents maintained or generated by Coeur or its agents, consistent with Section XVI (Access to Information); and
- g. Assessing Coeur's compliance with Section VII (Work To Be Performed) of this Consent Decree.
- h. Determining whether the Burns-Yaak and McFarran Gulch Properties are being used in a manner that is inconsistent with this Consent Decree.

76. Notwithstanding any provision of this Consent Decree, the United States retains all of its access authorities and rights, including enforcement authorities related thereto, under CERCLA, the Resource Conservation and Recovery Act, 42 U.S.C. § 6927, and any other applicable statutes or regulations.

XVII. ACCESS TO INFORMATION

77. Coeur shall provide to EPA, upon request, copies of all documents and information within its possession or control or that of its contractors or agents relating to the implementation of this Consent Decree, including, but not limited to, sampling, analysis, chain of custody records, manifests, trucking logs, receipts, reports, sample traffic routing, correspondence, or other documents or information related to the Work. Coeur shall also make available to EPA, for purposes of investigation, information gathering, or testimony, its employees, agents, or representatives with knowledge of relevant facts concerning the performance of the Work. No claim of confidentiality or privilege shall be made with respect to any data, including, but not limited to, all sampling, analytical, monitoring, hydrogeologic, scientific, chemical, or engineering data, or any other documents or information to the extent they evidence conditions related to the Work.

XVIII. RETENTION OF RECORDS

78. Until 10 years after the effective date of this Consent Decree, Coeur shall preserve and retain all records and documents now in its possession or control or which come into its possession or control that relate in any manner to the performance of the Work regardless of any corporate retention policy to the contrary. Until 10 years after the effective date of this Consent Decree, Coeur shall also instruct its contractors and agents to preserve all documents, records, and information of whatever kind, nature or description relating to the performance of the Work.

79. At the conclusion of this document retention period, Coeur shall notify the United States at least 90 days prior to the destruction of any such records or documents, and, upon request by the United States, Coeur shall deliver any such records or documents to EPA. Coeur may assert that certain documents, records and other information are privileged under the

attorney-client privilege or any other privilege recognized by federal law. If Coeur asserts such a privilege, they shall provide the Plaintiff with the following: (1) the title of the document, record, or information; (2) the date of the document, record, or information; (3) the name and title of the author of the document, record, or information; (4) the name and title of each addressee and recipient; (5) a description of the subject of the document, record, or information; and (6) the privilege asserted by Coeur. However, no documents, reports or other information created or generated pursuant to the requirements of the Consent Decree shall be withheld on the grounds that they are privileged.

80. Coeur hereby certifies that, to the best of its knowledge and belief, after thorough inquiry, it has not altered, mutilated, discarded, destroyed or otherwise disposed of any records, documents or other information relating to its potential liability regarding the Facility since notification of potential liability by the United States or the filing of suit against it regarding the Facility and that it has fully complied with any and all EPA requests for information pursuant to Section 104(e) and 122(e) of CERCLA, 42 U.S.C. §§ 9604(e) and 9622(e), and Section 3007 of RCRA, 42 U.S.C. § 6927.

XIX. CERTIFICATIONS

81. By signing this Consent Decree, Coeur certifies that, to the best of its knowledge and belief, the information that it has provided to the United States concerning its financial condition, operations, assets and ownership, easements, and encumbrances to title of the Burns-Yaak Property is true, accurate, and materially complete. In the event these certifications are found to be materially false, the Consent decree shall be voidable in Plaintiff's sole discretion.

XX. NOTICES AND SUBMISSIONS

82. Whenever, under the terms of this Consent Decree, notice is required to be given or a document is required to be sent by one Party to another, it shall be directed to the individuals at the addresses specified below, unless those individuals or their successors give notice of a change to the other Parties in writing. Written notice as specified herein shall constitute complete satisfaction of any written notice requirement of the Consent Decree with respect to the United States, EPA, the Federal Trustees and Coeur, respectively.

As to the United States:

Chief, Environmental Enforcement Section
Environment and Natural Resources Division
U.S. Department of Justice
P.O. Box 7611
Washington, D.C. 20044-7611
Re: DJ # 90-11-3-128L

Director, Environmental Cleanup Office
U.S. Environmental Protection Agency
Region 10
1200 Sixth Avenue
Seattle, Washington 98101

Regional Solicitor
U.S. Department of the Interior
500 NE Multnomah, Suite 607
Portland, Oregon 97232

As to EPA:

Earl Liverman
U.S. Environmental Protection Agency
Region 10, Coeur d'Alene Field Office
1910 Northwest Blvd., Suite 208
Coeur d'Alene, ID 83814

Clifford Villa
U.S. Environmental Protection Agency
Region 10

1200 Sixth Avenue, ORC 158
Seattle, WA 98101

As to the Federal Trustees:

Regional Director
U. S. Fish and Wildlife Service
911 NE 11th Ave.
Portland, Oregon 97232

As to Coeur:

Dennis E. Wheeler
Chairman and CEO
Coeur d'Alene Mines Corporation
505 Front Ave
Coeur d'Alene, ID 83814

William F. Boyd
Attorney at Law
601 Sherman Ave., Suite 1
Coeur d'Alene, ID 83814

XXI. RETENTION OF JURISDICTION

83. This Court shall retain jurisdiction over this matter for the purpose of interpreting and enforcing the terms of this Consent Decree.

XXII. INTEGRATION AND APPENDICES

84. This Consent Decree and its appendices and expressly incorporated documents constitute the final, complete and exclusive agreement and understanding among the Parties with respect to the settlement embodied in this Consent Decree. The Parties acknowledge that there are no representations, agreements or understandings relating to the settlement other than those expressly contained in this Consent Decree. The following appendices are attached to and incorporated into this Consent Decree:

Appendix 1: Action Memorandum;

Appendix 2: Legal Descriptions of Owned/Operated Properties;

Appendix 3: Description of Burns-Yaak Property;

Appendix 4: Description of McFarran Gulch Property;

Appendix 5: Form of Security Interest; and

Appendix 6: Form of Easement

XXIII. MODIFICATION

85. No material modification shall be made to this Consent Decree without written agreement of the Parties and approval of the Court. Modifications to the Consent Decree that do not materially affect its terms may be made by written agreement of the Parties; provided that any such agreement shall be filed with the Court. Modifications to the plans and schedules for performance of the Work required by Section VII may be made by written agreement between EPA and Coeur.

XXIV. LODGING AND OPPORTUNITY FOR PUBLIC COMMENT

86. Consistent with 42 U.S.C. § 9622(d)(2), this Consent Decree shall be lodged with the Court for a period of not less than 14 days for public notice and comment. The United States reserves the right to withdraw or withhold its consent to the Consent Decree if the comments regarding the Consent Decree disclose facts or considerations which indicate that the Consent Decree is inappropriate, improper, or inadequate. Coeur consents to the entry of this Consent Decree without further notice.

87. If for any reason this Court should decline to approve this Consent Decree in the form presented, this agreement is voidable at the sole discretion of any Party and the terms of the agreement may not be used as evidence in any litigation.

XXV. EFFECTIVE DATE

88. The effective date of this Consent Decree shall be the date upon which it is entered by the Court.

XXVI. SIGNATORIES/SERVICE

89. Each undersigned representative of Coeur and the Acting Assistant Attorney General for the Environment and Natural Resources Division of the Department of Justice certifies that he or she is fully authorized to enter into the terms and conditions of this Consent Decree and to execute and legally bind such Party to this document.

90. Coeur hereby agrees not to oppose entry of this Consent Decree by this Court or to challenge any provision of this Consent Decree, unless the United States has notified Coeur in writing that it no longer supports entry of the Consent Decree.

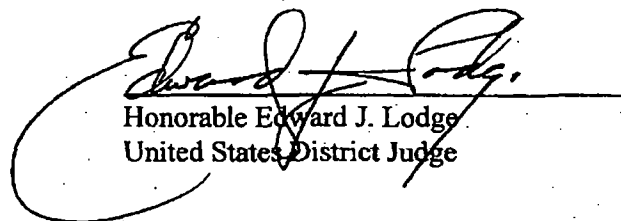
91. Coeur shall identify, on the attached signature page, the name and address of an agent who is authorized to accept service of process by mail on behalf of Coeur with respect to all matters arising under or relating to this Consent Decree. Coeur hereby agrees to accept service in that manner and to waive the formal service requirements set forth in Rule 4 of the Federal Rules of Civil Procedure and any applicable local rules of this Court, including but not limited to, service of a summons.

XXVII. FINAL JUDGMENT

92. Upon approval and entry of this Consent Decree by the Court, this Consent Decree shall constitute a final judgment resolving all claims in these actions between and among the United States and Coeur, in accordance with its terms; provided that any Party may apply to this Court, without filing a new action, for the purpose of enforcing the terms of the Consent Decree.

The Court finds that there is no just reason for delay and therefore enters this Decree as a final judgment under Fed. R. Civ. P. 54 and 58.

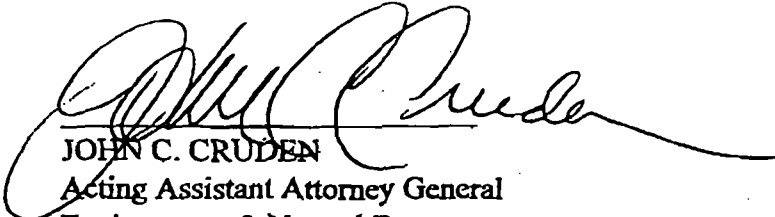
SO ORDERED THIS 14th DAY OF May, 2001


Honorable Edward J. Lodge
United States District Judge

THE UNDERSIGNED PARTIES enter into this Partial Consent Decree in the matter of United States v. ASARCO Incorporated, et al.


FOR THE UNITED STATES OF AMERICA

Date: 4-17-01




JOHN C. CRUDEN
Acting Assistant Attorney General
Environment & Natural Resources
Division

Date: 4/17/01



WILLIAM D. BRIGHTON, Assistant Chief
THOMAS SWEGLE, Senior Lawyer
DAVID L. DAIN, Trial Attorney
Environmental Enforcement Section
1425 New York Avenue, N.W.
Washington, DC 20005
(202) 514-2244

Date: 4/18/01



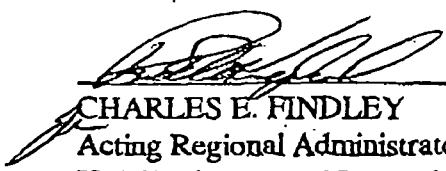
ALAN BURROW
Assistant U.S. Attorney
District of Idaho
P.O. Box 32
Boise, ID 83707
(208) 334-1211

Date: 4/17/01

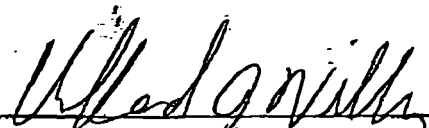
A handwritten signature in black ink, appearing to read 'R. Foster', is written over a horizontal line.

ROBERT FOSTER, Trial Attorney
MARK NITCZYNSKI, Trial Attorney
Environmental Defense Section
U.S. Department of Justice
999 18th Street - Suite 945
Denver, Colorado 80202

Date: April 17, 01


CHARLES E. FINDLEY
Acting Regional Administrator
U.S. Environmental Protection Agency
Region 10
1200 Sixth Avenue
Seattle, Washington, 98101

Date: 9/17/01


CLIFFORD J. VILLA
Assistant Regional Counsel
U.S. Environmental Protection Agency
Region 10
1200 Sixth Avenue
Seattle, Washington, 98101

THE UNDERSIGNED PARTIES enter into this Partial Consent Decree in the matter of United States v. ASARCO Incorporated, et al.

FOR COEUR D'ALENE MINES,
CORPORATION

Date: April 17, 2001

William F. Boyd
William F. Boyd

FOR CALLAHAN MINING CORPORATION

Date: April 17th, 2001

Eugene I. Annis
Eugene I. Annis

FOR COEUR SILVER VALLEY, INC.

Date: April 17, 2001

William F. Boyd
William F. Boyd

Appendix 1

Action Memorandum



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 10
1200 Sixth Avenue
Seattle, Washington 98101

10 April 2001

Reply To
Attn Of: 1910 Northwest Boulevard, Suite 208
Coeur d'Alene, Idaho 83814

MEMORANDUM

SUBJECT: Request for a Time-Critical Removal Action for the Coeur d'Alene Mine and Mill site, McFarren Gulch, Shoshone County, Idaho

FROM: Earl Liverman *Ann Williamson for*
On-Scene Coordinator

THRU: Ann Williamson, Manager *Ann Williamson*
Site Cleanup Unit 4, Office of Environmental Cleanup

Chris Field, Manager *Ann Williamson for*
Emergency Response Unit, Office of Environmental Cleanup

TO: Michael F. Gearheard, Director
Office of Environmental Cleanup

I PURPOSE

The purpose of this action memorandum is to request and document approval of the proposed removal described herein for the Coeur d'Alene Mine and Mill site, McFarren Gulch, Shoshone County, Idaho.

The proposed action is expected to be funded and conducted by a potentially responsible party (PRP) with U.S. Environmental Protection Agency (EPA) and State of Idaho oversight to ensure that the actions to be conducted are protective of public health and the environment.

II SITE CONDITIONS AND BACKGROUND

The CERCLIS identification number for this site is **IDD048340921**.

The work to be performed is a time-critical removal action because of the potential threat posed to human health by ingestion and inhalation of mine-waste contaminants and, to the environment by off-site airborne and waterborne migration of such contaminants. As described below, many of the site features are publicly accessible because of the absence or poor maintenance of access restrictions. Moreover, there is evidence on the site of trespass and vandalism, such as spent shell casings and off-road vehicle tracks and trails.

A. Site Description

1. Removal site evaluation

In 1935, the Coeur d'Alene Mines Corporation (Coeur) began exploration and development of the site. By 1940, a 300 ton-per-day (tpd) flotation mill was constructed and in 1941 the mill was upgraded to 600 tpd. Operation ceased in approximately 1958.

2. Physical location

The Coeur d'Alene Mine and Mill site is located adjacent to McFarren Creek a tributary to the South Fork Coeur d'Alene River (SFCdR) (refer to Figure 1).

The site is within one (1) mile of Osburn, Idaho, which is predominantly residential with some light industrial areas. There are approximately 1,500 residents living in Osburn.

3. Site characteristics

The site is approximately 11 acres in size, and consists of dilapidated mine and mill buildings, the Coeur d'Alene Mine Portal and associated waste rock pile, and the Chilcott Tunnel and Camp Shop Area (refer to Figure 2).

4. Release or threatened release into the environment of a hazardous substance, pollutant, or contaminant

A field reconnaissance of the Coeur d'Alene Mine and Mill site was conducted during June 2000, and was attended by representatives of the EPA, State of Idaho Department of Environmental Quality (IDEQ), and Coeur. The purpose of the reconnaissance was to provide the basis for development of a sampling and analysis plan (SAP) to investigate environmental media, including soil, sediment, groundwater, and surface water. As part of this effort, previously existing mine and mill operation information and site environmental data were also reviewed. The McFarren Gulch sample soil and sediment locations are also shown in Figure 2.

A preliminary site investigation was conducted pursuant to the SAP, and the environmental data was shared with EPA, IDEQ, and the Coeur d'Alene Tribe at a meeting held during January 2001. The analytical results from environmental samples collected from the Facility are shown in Table 1 (Soil

and Sediment Data), Table 2 (Surface Water Data), and Table 3 (Groundwater Data).

The mine-waste contaminants that exceed their respective Early Action Levels (EALs) are identified as contaminants of concern (COCs), and are discussed below. These COCs are potential hazardous substances or pollutants or contaminants as defined by § 101(14) and 101(33) of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980, as amended, 42 U.S.C. § 9601(14) and (33).

5. National Priorities List Status

The Bunker Hill Facility was listed on the National Priorities List (NPL) in September 1983. The United States maintains that the Bunker Hill Facility includes all areas within the Coeur d'Alene Basin where hazardous substances from mining and ore processing activities have come to be located. This geographic scope encompasses the area addressed by this Action Memorandum.

In September 1998, the U.S. District Court of Idaho held that the NPL listing for the Bunker Hill Facility was limited to a 21-square mile area known as the Bunker Hill Superfund Site. (U.S. v. ASARCO, Inc., 28 F.Supp.2d 1170). This limited scope would exclude the area subject to this Action Memorandum. However, the decision of the U.S. District Court of Idaho was later vacated by decision of the Ninth Circuit Court of Appeals (214 F.3d 1104). This appellate decision left standing the broader view of the Bunker Hill Facility held by the United States, which includes the area subject to this Action Memorandum.

6. Maps, pictures, and other graphic representations

Refer to Figure 1 for a site location map and Figure 2 for the site features and environmental sample locations.

B. Other Actions to Date

1. Previous actions

Several mill buildings were previously demolished in May 1996. Non-PCB transformers and numerous 55-gallon drums containing varying quantities of oils and solvents and impacted soils were removed from within and around the buildings. The face of the waste rock pile was revegetated in the Fall 1998 to mitigate continual raveling of surficial materials from the slope. In addition, the toe of the waste rock pile was stabilized.

2. Current actions

Current government actions at the Coeur d'Alene Mine and Mill site include sampling and analysis of mine-waste contaminants as described in II(A)(4) above.

C. State and Local Authorities' Roles

1. State and local actions to date

IDEQ personnel have been actively involved in the assessment of the Coeur Mine and Mill site, including review of historical information and data, reconnaissance activities, preparation, review, and implementation of the SAP, and interpretation of environmental data.

2. Potential for continued State/local response

IDEQ personnel will continue to be involved with planning for, and implementation of, the proposed response action described herein.

**III THREATS TO PUBLIC HEALTH OR WELFARE OR THE ENVIRONMENT,
AND STATUTORY AND REGULATORY AUTHORITIES**

Conditions at the Facility meet the criteria for a removal action as stated in the National Contingency Plan (NCP), 40 CFR § 300.415 as follows.

A. Threats to Public Health or Welfare

- The inactive mine and mill facility is not secure and is easily accessible by nearby residents. Potential exposure routes include ingestion and inhalation of mine-waste contaminants.
- The COCs—antimony, copper, and lead—are found at concentrations exceeding their respective EALs at various locations throughout the site. The EALs for the COCs are shown below in parts-per-million.

**EARLY ACTION LEVELS
FOR SOIL**

Contaminants of Concern	EALs for Residential Soils	Maximum Detected Value
Antimony	2,700	6,180
Copper	5,900	11,400
Lead	1,000	7,150

- Before response measures are implemented, rain-on-snow events or spring or summer cloud bursts could wash mine-waste contaminants found in surface soils into the adjoining stream.
- The mine and mill facility, consisting of several aboveground dilapidated wooden mill structures, could be easily set ablaze by trespassers, thus spreading contaminants beyond the site to nearby residential areas.
- The potential health effects of exposure to the COCs include:
 - Antimony: Respiratory and gastrointestinal effects, elevated blood pressure, fibrosis of the lungs, and altered pulmonary function.
 - Copper : Impairment of liver function, which could lead to hepatic necrosis and cardiovascular effects, including atherosclerosis and lowered blood pressure.
 - Lead: Neurological and central nervous effects, and hematological and kidney effects (higher susceptibility in young children).

B. Threats to the Environment

Mine-waste contaminants found throughout the site remain a potential point and non-point source of solid- and dissolved-phase contaminants to the Coeur d'Alene River system and Coeur d'Alene Lake due to erosion and dissolution. The pathways by which ecological receptors could become exposed to contaminants include:

- Direct contact with mine-waste materials, and with water and sediments contaminated with mine-waste materials.
- Ingestion of mine-waste materials, and water and sediments contaminated by mine-waste materials.
- Ingestion of contaminated food (e.g., sediment- or soil-dwelling insects, vegetation).

IV ENDANGERMENT DETERMINATION

Actual or threatened releases of hazardous substances from this site, if not addressed by implementing the response action selected in this Action Memorandum, may present an imminent and substantial endangerment to public health, or welfare, or the environment.

V PROPOSED ACTIONS AND ESTIMATED COSTS

Excavation of mine-waste contaminated materials and disposal at a mine-waste repository is the only feasible solution for mitigating threats posed by the current site situation. Stabilization in-place would provide only a temporary solution to the threats posed by the site.

A. Proposed Actions

1. Proposed action description

The following is a brief description of the proposed response actions. Detailed actions will be developed pursuant to a project-specific work plan subject to review and approval by EPA. The work plan will address issues, including, but not limited to, technical specifications for: building decontamination, demolition, and debris disposal; areal extent and depth of excavation of mine-waste contaminated soil, confirmation sampling, and backfill and grading criteria; disposal of mine-waste contaminated soil, including acceptance and placement criteria; installation and maintenance of access restrictions and Best Management Practices (BMPs); and, institutional controls (ICs).

Building Decontamination, Demolition, and Debris Disposal, and Excavation and Disposal of Mine-Waste Contaminated Materials

The aboveground, dilapidated metal and wooden mill building structures will be decontaminated, demolished, and disposed in an appropriate manner. The mill building concrete foundations may remain, provided they have been decontaminated.

Based on the environmental data shown in Table 1 (Soil and Sediment Data), approximately 1,200-1,500 cubic yards of mine-waste contaminated soil will be excavated from the Lab Assay Site, Loading Area, and Mill Building to the EALs for the COCs identified above. Excavated materials will be transported to a nearby repository for disposal. Excavated areas will be backfilled with clean plant growth media, and graded and revegetated with native plant materials to minimize erosion and establish a permanent vegetative ground cover.

Best-Management Practices

BMPs will be implemented to mitigate short-term construction-related impacts. For example, BMPs will be implemented to: control for site surface water run-on and run-off; mitigate generation of fugitive dust related to demolition, disposal, and transport of mine-waste materials and demolition debris; and, control for sediment tracking from vehicles and equipment leaving the site onto public rights-of-way. In addition, other short-term impacts, such as temporary access restrictions and noise abatement, will be closely coordinated with appropriate local officials.

Access Restrictions

Permanent access restrictions, such as fences and other physical barriers, will be installed or upgraded to control access to the Chilcott Tunnel and Camp Shop Area, the upper end of the waste rock pile, the Coeur d'Alene Mine Portal, and the bridge providing mid-level access to the former Lab Assay area.

Access restrictions may also be required to protect against physical hazards if the mill foundations are left in-place.

Institutional Controls

Institutional Controls (ICs), such as administrative and/or legal controls that minimize the potential for human exposure to contamination, will also be used in conjunction with the response actions. The ICs will include informational devices such as hazard notices to provide information on contamination remaining on the site; proprietary controls for long-term inspection and monitoring of the adequacy of access restrictions and protectiveness of implemented response actions; and governmental controls to restrict land use and resource use through, for example, restrictive covenants and easements. Land use and resource restrictions shall be established to run with the land, in accordance with state law, to prohibit residential development or any development that reasonably could be expected to attract children or recreational uses, including but not limited to, parks, playgrounds, and other attractive nuisances. Land use and resource use restrictions may also include governmental controls that restrict use of the site, such as zoning restrictions or ordinances.

Contribution to remedial performance

The response actions identified in this Action Memorandum are expected to contribute to the efficient performance of long-term remedial actions for the Bunker Hill Facility. Such remedial actions are currently being evaluated through a Remedial Investigation/Feasibility Study (RI/FS), with a final Record of Decision (ROD) expected within one (1) year. The ROD is expected to support the approach reflected in this Action Memorandum of excavating certain mine-waste materials to prevent human contact and prevent release into surface waters of the Coeur d'Alene Basin. The ROD may also address contaminated groundwaters in the Coeur d'Alene Basin, such as identified in Table 3.

2. Description of alternative technologies

Removal of mine-waste contaminated materials from the site and placement in a managed repository is the only feasible solution for mitigating threats posed by the site. Stabilization in-place would provide only a temporary solution to the threats posed by the site.

No technologies were found which would be considered applicable either from an economic or engineering perspective.

3. Engineering Evaluation/Cost Analysis

An Engineering Evaluation/Cost Analysis (EE/CA) and an EE/CA Approval Memorandum were not prepared because this is a time-critical removal action.

4. Applicable or relevant and appropriate requirements

The NCP, implementing CERCLA, requires that removal actions attain Applicable or Relevant and Appropriate Requirements (ARARs) under federal or state environment or facility siting laws to the extent practicable. (40 CFR § 300.415[j].) In determining whether compliance with ARARs is practicable, EPA may consider the scope of the removal action. (40 CFR § 300.415[j][2].) The scope of the removal action proposed in this Action Memorandum is limited compared to the scope of remedial actions presently contemplated in the Coeur d'Alene Basin RI/FS. For example, because the proposed removal action does not address groundwater contamination, the Safe Drinking Water Act, 41 U.S.C. §§ 300 *et seq.*, will not be considered an ARAR for this action. Because of the pervasive sources of mining contamination to surface waters in the Coeur d'Alene Basin, EPA believes it is not practicable to achieve water quality standards under the Clean Water Act through completion of the proposed removal action. Because the mine waste to be excavated is subject to the "Bevill Exemption," 42 U.S.C. § 6921(b)(3)(A)(ii), the Resource Conservation and Recovery Act (RCRA) will not apply to this action.

To the extent practicable, the proposed removal action will attain ARARs, including Section 404 of the Clean Water Act (CWA), 33 U.S.C. § 1344; the Endangered Species Act (ESA), 16 U.S.C. §§ 1531 *et seq.*; and the National Historic Preservation Act (NHPA), 16 U.S.C. § 470 *et seq.* Consistent with Section 404 of the CWA, the proposed removal action will be conducted in a manner to avoid the discharge of dredged or fill material into navigable waters, through the use of BMPs, such as silt fences, hay bales, or other means necessary to control potential discharge from the site. Consistent with the ESA, the proposed removal action will be designed and conducted in a manner to conserve endangered or threatened species and their habitats, as may be determined through consultation with the U.S. Fish and Wildlife Service if such species or habitats may be affected. Consistent with the NHPA, the proposed action will be designed and conducted in a manner to avoid, minimize, or mitigate any adverse impacts on historic sites or structures that may be considered historic. Any unavoidable adverse impacts will be mitigated through documentation, such as historic reports or photography of the structures prior to demolition. The proposed removal action will also be conducted in a manner to minimize the generation and release of fugitive dust, consistent with IDAPA §§ 16.01.1251-1252.

5. Project schedule

An exact schedule has not yet been determined; however, Coeur has proposed that the project will be completed during the year 2001 construction season, which is estimated to be no later than November 2001.

B. Estimated Costs

While approximate projects costs are unknown because this response action is PRP funded, it is estimated that total costs will likely not exceed \$500,000. Coeur is expected to fund future oversight costs incurred by EPA.

VI EXPECTED CHANGE IN THE SITUATION SHOULD ACTION BE DELAYED OR NOT TAKEN

Should the proposed action be delayed or not taken:

- Hazardous substances will remain as potential human health and environmental threats;
- Hazardous substances will remain a potential continuing source of solid- and dissolved-phase contaminants to the Coeur d'Alene River system; and
- Physical hazards will remain as potential human health threats.

VII OUTSTANDING POLICY ISSUES

Mine-waste contaminated materials and debris excavated or demolished pursuant to this Action Memorandum will be placed in a nearby mine-waste repository. Siting, design and construction of a mine-waste repository will be consistent with further CERCLA analysis and documentation.

Based on preliminary findings of the RI/FS, complete remediation of mining contamination in the Coeur d'Alene Basin may take years and hundreds of millions of dollars. Because of limited funds available from the Superfund trust fund or from PRPs, cleanup actions in the Basin must be prioritized. One of the priorities for overall Basin cleanup may be addressing continuing releases of mining contamination from upstream sources. Only when such upstream sources are controlled will it be practical to address contamination downstream. The removal action proposed in this Action Memorandum will address one of the potential upstream sources of mining contamination, and is thus consistent with an overall Basin priority scheme.

VIII ENFORCEMENT

Coeur is a present "owner" and/or "operator" of the facility, as defined by § 101(20) of CERCLA, and within the meaning of § 107(a) of CERCLA, and has committed to performing the proposed response promptly and properly.

IX RECOMMENDATION

This decision document represents the selected removal action for the Coeur d'Alene Mine and Mill site, McFarren Gulch, Shoshone County, Idaho, developed in accordance with CERCLA, as amended, and not inconsistent with the NCP. This decision is based on the administrative record for the site.

Conditions at the site meet the NCP § 300.415(b)(2) criteria for a removal action and I recommend your approval of the proposed action. The proposed response action is expected to be PRP funded; if so, then the statutory limits for a fund-financed actions will not apply nor will funds come from the Regional removal allowance.

Approval: ✓ Disapproval: _____

Signature: Michelle J. Haggard
BR

Date: 4/10/01

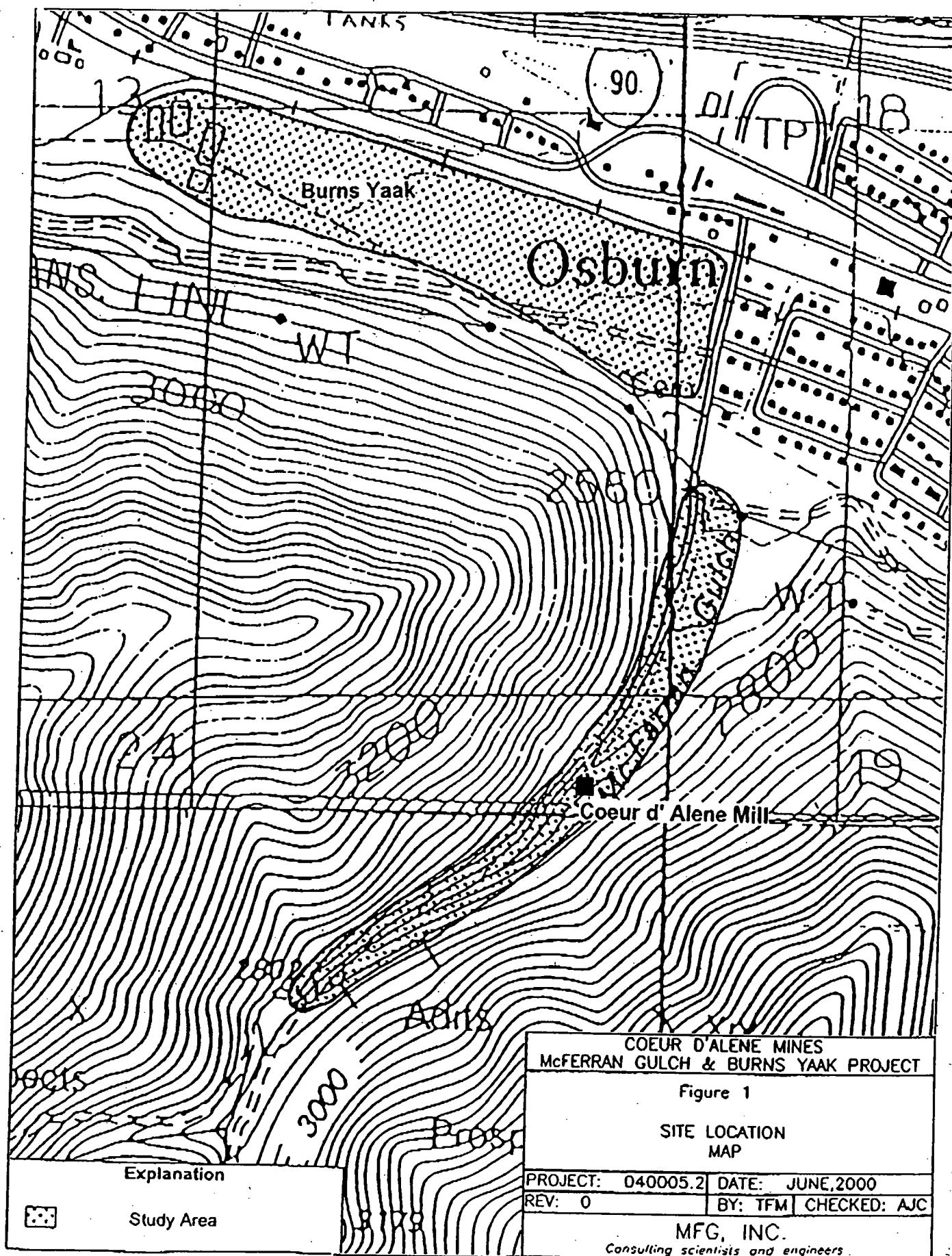
FIGURE 1
SITE LOCATION MAP

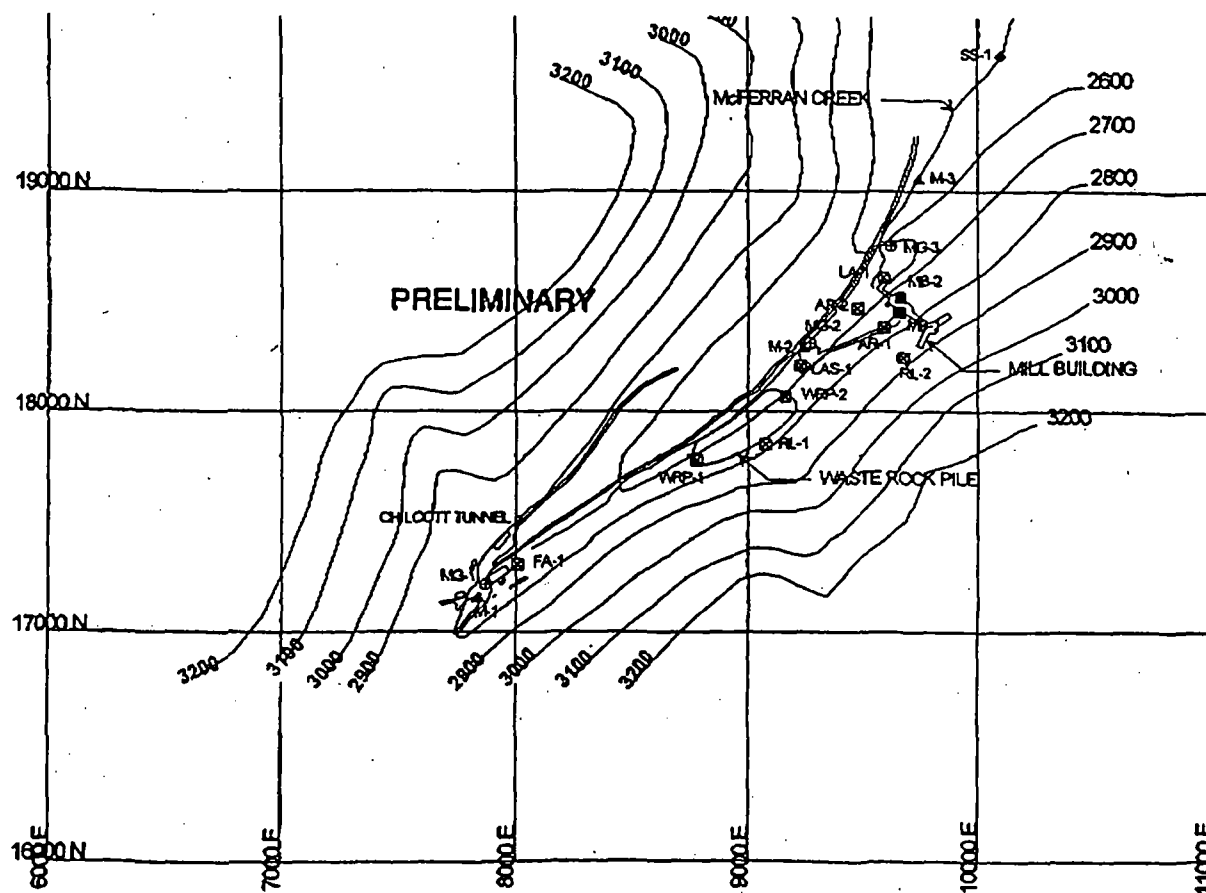
FIGURE 2
ENVIRONMENTAL SAMPLE LOCATIONS

TABLE 1
SOIL AND SEDIMENT DATA

TABLE 2
SURFACE WATER DATA

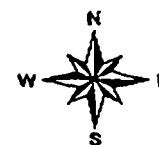
TABLE 3
GROUNDWATER DATA





EXPLANATION

- ⊕ MG-3 MONITORING WELL
- ⊠ LA-1 TEST PIT LOCATION
- ▲ M-3 SURFACE WATER SAMPLE LOCATION
- MB-2 SOIL SAMPLE LOCATION
- ◆ SS-1 SEDIMENT SAMPLE LOCATION
- ADIT SAMPLE LOCATION



LOCATION MAP

0 1000 FEET

SOURCE: COEUR D'ALENE MINES CORPORATION, INC. TOPOGRAPHIC SURVEY, 1983.
COORDINATES BASED ON COEUR SURVEY

COEUR D'ALENE MINES CORPORATION
COEUR D'ALENE MINE EECA

Figure 2
McFERRAN GULCH
SAMPLE LOCATIONS

Project: 040005.3 Date: December 6, 2000
Rev. 0 BY: TFM CHECKED: AJG
MFG, INC.
consulting scientists and engineers

**McFERRAN GULCH
SOIL SAMPLE RESULTS**

PRELIMINARY

Location	Sample ID	Cadmium		Copper		Lead		Zinc	
		mg/kg	ppm	mg/kg	ppm	mg/kg	ppm	mg/kg	ppm
Access Road	AR-1	<	1.00	13.6	<	1.0	2.20	18.5	
	AR-2		29.5	61.9	<	1.0	5.00	15.4	
	AR-3		34.7	37.2	<	1.0	4.80	15.4	
Facilities Area	FA-1		125	102	<	1.0	1.80	16.4	
Lab Assay Site	LAS-1		2,590	263	<	1.0	3.40	25.7	
Loading Area	LA-1		1,520	171	<	1.0	10.1	21.7	
Mill Building	MB-1		6,180	305	<	1.0	11.0	29.6	
	MB-2		1,130	81.2	<	1.0	23.2	27.5	
Rail Line	RL-1	<	1.00	41.1	<	1.0	1.80	14.0	
	RL-2		22.8	30.2	<	1.0	< 0.80	6.60	
Sediment Sample	SS-1		16.1	25.5	<	1.0	3.30	17.8	
Waste Rock	WRP-1		253	68.5	<	1.0	3.10	11.9	
	WRP-2		144	60.0	<	1.0	3.00	10.7	
Count			13	13		13	13	13	
Mean			927	96.9		1.0	5.65	17.8	
Maximum			6,180	305	<	1.0	23.2	29.6	
Minimum		<	1.00	13.6	<	1.0	< 0.80	6.60	
Standard Deviation			1,766	92.7		0.0	6.10	6.77	

**McFERRAN GULCH
SOIL SAMPLE RESULTS**

PRELIMINARY

Location	Sample ID	Lead	Copper	Iron	Manganese	Chromium	Vanadium
Access Road	AR-1	34.7	108	7.30	24.3	<	30.0
	AR-2	211	357	6.00	16.0	<	30.0
	AR-3	201	399	12.4	17.0	<	30.0
Facilities Area	FA-1	583	477	16.4	11.6	<	30.0
Lab Assay Site	LAS-1	4,660	7,150	22.5	37.8	<	30.0
Loading Area	LA-1	3,000	3,020	23.6	24.5	<	30.0
Mill Building	MB-1	11,400	1,610	24.0	56.5	<	30.0
	MB-2	3,670	3,230	17.5	36.2	<	30.0
Rail Line	RL-1	217	75.2	5.65	21.0	<	30.0
	RL-2	41.4	23.3	5.15	9.20	<	30.0
Sediment Sample	SS-1	142	344	5.08	20.3	<	30.0
Waste Rock	WRP-1	939	602	17.2	23.8	<	30.0
	WRP-2	440	477	14.5	16.4	<	30.0
Count		13	13	13	13		13
Mean		1,965	1,375	13.6	24.2		30.0
Maximum		11,400	7,150	24.0	56.5	<	30.0
Minimum		34.7	23.3	5.08	9.20	<	30.0
Standard Deviation		3,234	2,040	7.25	12.8		0.0

**McFERRAN GULCH
SOIL SAMPLE RESULTS**

PRELIMINARY

Location	Sample ID	Lead (ppm)	Cadmium (ppm)	Copper (ppm)
Access Road	AR-1	2.30	< 0.5	142
	AR-2	8.30	< 0.5	916
	AR-3	8.10	< 0.5	948
Facilities Area	FA-1	32.8	< 0.5	122
Lab Assay Site	LAS-1	86.7	< 0.5	4,810
Loading Area	LA-1	133	< 0.5	1,620
Mill Building	MB-1	153	< 0.5	1,390
	MB-2	152	< 0.5	7,350
Rail Line	RL-1	11.5	< 0.5	93.1
	RL-2	3.40	< 0.5	24.9
Sediment Sample	SS-1	4.80	< 0.5	541
Waste Rock	WRP-1	38.7	< 0.5	145
	WRP-2	19.2	< 0.5	1,230
Count		13	13	13
Mean		50.3	0.5	1,487
Maximum		153	< 0.5	7,350
Minimum		2.30	< 0.5	24.9
Standard Deviation		59.2	0.0	2,171

**LAB ASSAY SITE - McFERRAN GULCH
SOIL SAMPLE RESULTS**

PRELIMINARY

Lab Assay Site	Count	Mean	Maximum	Minimum	Standard Deviation
LAS-2	52.2	53.2	4.72	8.95	570
LAS-3	390	428	27.2	20.5	6,350
LAS-4	305	124	5.58	14.7	3,300
LAS-5	156	143	6.10	8.82	1,160
LAS-6	212	230	17.4	23.6	16,100
LAS-7	365	340	23.4	11.5	3,150
LAS-8	47.8	74.8	9.82	9.35	460
LAS-9	36.2	71.0	4.05	7.78	538
Count	8	8	8	8	8
Mean	196	183	12.3	13.2	3,954
Maximum	390	428	27.2	23.6	16,100
Minimum	36.2	53.2	4.05	7.78	460
Standard Deviation	145	138	9.15	5.95	5,311

**LAB ASSAY SITE - McFERRAN GULCH
SOIL SAMPLE RESULTS**

PRELIMINARY

Lab Assay Site	Count	Mean	Maximum	Minimum	Standard Deviation
LAS-2	2,250	2.65	18.1	33.0	922
LAS-3	16,100	3.54	31.2	177	6,780
LAS-4	2,850	7.73	24.0	118	1,050
LAS-5	2,090	1.81	17.8	73.8	1,550
LAS-6	6,520	1.70	47.8	890	3,520
LAS-7	4,980	1.81	25.8	89.2	5,520
LAS-8	1,240	1.61	15.2	27.2	1,880
LAS-9	885	1.01	12.5	30.0	862
Count	8	8	8	8	8
Mean	4,614	2.73	24.1	180	2,761
Maximum	16,100	7.73	47.8	890	6,780
Minimum	885	1.01	12.5	27.2	862
Standard Deviation	5,015	2.16	11.4	292	2,283

**SUMMARY OF SURFACE WATER QUALITY DATA
McFERRAN GULCH**

Sample Type	COC	CMC (ug/L)	CCC (ug/L)	Sample Size	No. LT Values	Mean	Maximum	No. CMC Exceedences	No. CCC Exceedences
Dissolved	Arsenic	340	150	34	32	1.06	2.00	0	0
	Cadmium	4.3	2.2	34	34	0.10	0.10	0	0
	Chromium	570	74	4	1	17.0	25.0	0	0
	Copper	13	9	34	29	1.06	2.00	0	0
	Lead	65	2.5	34	26	0.40	1.20	0	0
	Mercury	1.4	0.77	34	34	0.10	0.10	0	0
	Nickel	470	52	34	34	5.00	5.00	0	0
	Zinc	120	120	34	30	10.9	23.0	0	0
Total	Arsenic	340	150	34	31	1.21	6.00	0	0
	Cadmium	4.3	2.2	34	33	0.10	0.20	0	0
	Chromium	570	74	4		20.8	27.0	0	0
	Copper	13	9	34	25	1.26	6.00	0	0
	Lead	65	2.5	34	9	0.80	4.40	0	1
	Mercury	1.4	0.77	34	34	0.10	0.10	0	0
	Nickel	470	52	34	34	5.00	5.00	0	0
	Zinc	120	120	34	27	11.4	33.0	0	0
Totals				484	413			0	1

Notes: 1) Units are in micrograms per liter (ug/L)

2) CMC = Criteria Maximum Concentration - estimate of the highest concentration of a material in surface water to which an aquatic community can be exposed briefly without resulting in an unacceptable effect.

3) CCC = Criterion Continuous Concentration - an estimate of the highest concentration of a material in surface water to which an aquatic community can be exposed indefinitely without resulting in an unacceptable effect.

4) Monitoring stations include M-1 (upstream of Coeur d'Alene mine and rock dump); M-2 (between Coeur d'Alene Mill and rock dump); M-3 (downstream of Coeur d'Alene Mill); and Chilcott Tunnel

**SUMMARY OF SURFACE WATER QUALITY DATA
McFERRAN GULCH**

Sample Name	Sample Type	COC	CMC (ug/L)	CCC (ug/L)	Data					
					Sample Size	No LT Values	Mean	Maximum	CMC Exceed	CCC Exceed
#15 Chilcott	Dissolved	Arsenic	340	150	4	2	1.50	2	0	0
		Cadmium	4.3	2.2	4	4	0.10	0.1	0	0
		Chromium	570	74	1	1	10.0	10	0	0
		Copper	13	9	4	3	1.25	2	0	0
		Lead	65	2.5	4	3	0.41	0.5	0	0
		Mercury	1.4	0.77	4	4	0.10	0.1	0	0
		Nickel	470	52	4	4	5.00	5	0	0
		Zinc	120	120	4	4	10.0	10	0	0
M-1	Dissolved	Arsenic	340	150	10	10	1.00	1	0	0
		Cadmium	4.3	2.2	10	10	0.10	0.1	0	0
		Chromium	570	74	1		25.0	25	0	0
		Copper	13	9	10	9	1.10	2	0	0
		Lead	65	2.5	10	7	0.44	1.2	0	0
		Mercury	1.4	0.77	10	10	0.10	0.1	0	0
		Nickel	470	52	10	10	5.00	5	0	0
		Zinc	120	120	10	9	11.3	23	0	0
M-2	Dissolved	Arsenic	340	150	10	10	1.00	1	0	0
		Cadmium	4.3	2.2	10	10	0.10	0.1	0	0
		Chromium	570	74	1		19.0	19	0	0
		Copper	13	9	10	9	1.00	1	0	0
		Lead	65	2.5	10	8	0.39	0.5	0	0
		Mercury	1.4	0.77	10	10	0.10	0.1	0	0
		Nickel	470	52	10	10	5.00	5	0	0
		Zinc	120	120	10	9	10.5	15	0	0
M-3	Dissolved	Arsenic	340	150	10	10	1.00	1	0	0
		Cadmium	4.3	2.2	10	10	0.10	0.1	0	0
		Chromium	570	74	1		14.00	14	0	0
		Copper	13	9	10	8	1.00	1	0	0
		Lead	65	2.5	10	8	0.37	0.5	0	0
		Mercury	1.4	0.77	10	10	0.10	0.1	0	0
		Nickel	470	52	10	10	5.00	5	0	0
		Zinc	120	120	10	8	11.20	18	0	0

**SUMMARY OF SURFACE WATER QUALITY DATA
McFERRAN GULCH**

Sample Type	COC	Date Sampled	Units	#15 Chilcott	M-1	M-2	M-3
				Conc LT	Conc LT	Conc LT	Conc LT
Dissolved	Cadmium	11/4/99	ug/L	0.1 U	0.1 U	0.1 U	0.1 U
		12/2/99	ug/L	0.1 U	0.1 U	0.1 U	0.1 U
		3/2/00	ug/L	0.1 U	0.1 U	0.1 U	0.1 U
		6/2/00	ug/L		0.1 U	0.1 U	0.1 U
		7/7/99	ug/L		0.1 U	0.1 U	0.1 U
		7/8/99	ug/L	0.1 U			
		9/5/2000	ug/L		0.1 U	0.1 U	0.1 U
		7/21/99	ug/L		0.1 U	0.1 U	0.1 U
		8/5/99	ug/L		0.1 U	0.1 U	0.1 U
		9/2/99	ug/L		0.1 U	0.1 U	0.1 U
		10/5/99	ug/L		0.1 U	0.1 U	0.1 U
	Lead	11/4/99	ug/L	0.5 U	0.5 U	0.5 U	0.5 U
		12/2/99	ug/L	0.5 U	0.5 U	0.5 U	0.5 U
		3/2/00	ug/L	0.5 U	0.5 U	0.5 U	0.5 U
		6/2/00	ug/L		0.5 U	0.5 U	0.5 U
		7/7/99	ug/L		0.2	0.38	0.16
		7/8/99	ug/L	0.13			
		9/5/2000	ug/L		0.5 U	0.5 U	0.5 U
		7/21/99	ug/L		0.1 U	0.1 U	0.1 U
		8/5/99	ug/L		0.1 U	0.1 U	0.1 U
		9/2/99	ug/L		0.3	0.3	0.3
		10/5/99	ug/L		1.2	0.5 U	0.5 U

**SUMMARY OF SURFACE WATER QUALITY DATA
McFERRAN GULCH**

				#15 Chilcott	M-1	M-2	M-3
Sample Type	COC	Date Sampled	Units	Conc LT	Conc LT	Conc LT	Conc LT
Dissolved	Zinc	11/4/99	ug/L	10 U	23	10 U	14
		12/2/99	ug/L	10 U	10 U	10 U	10 U
		3/2/00	ug/L	10 U	10 U	10 U	10 U
		6/2/00	ug/L		10 U	10 U	10 U
		7/7/99	ug/L		10 U	10 U	10 U
		7/8/99	ug/L	10 U			
		9/5/2000	ug/L		10 U	10 U	10 U
		7/21/99	ug/L		10 U	10 U	10 U
		8/5/99	ug/L		10 U	10 U	10 U
		9/2/99	ug/L		10 U	10 U	10 U
		10/5/99	ug/L		10 U	15	18
Total	Cadmium	11/4/99	ug/L	0.1 U	0.1 U	0.1 U	0.1 U
		12/2/99	ug/L	0.1 U	0.1 U	0.1 U	0.1 U
		3/2/00	ug/L	0.1 U	0.1 U	0.1 U	0.1 U
		6/2/00	ug/L		0.1 U	0.1 U	0.1 U
		7/7/99	ug/L		0.1 U	0.1 U	0.1 U
		7/8/99	ug/L	0.1 U			
		9/5/2000	ug/L		0.1 U	0.1 U	0.1 U
		7/21/99	ug/L		0.1 U	0.1 U	0.2
		8/5/99	ug/L		0.1 U	0.1 U	0.1 U
		9/2/99	ug/L		0.1 U	0.1 U	0.1 U
		10/5/99	ug/L		0.1 U	0.1 U	0.1 U

**SUMMARY OF SURFACE WATER QUALITY DATA
McFERRAN GULCH**

Sample Type	COC	Date Sampled	Units	#15 Chilcott	M-1	M-2	M-3
				Conc LT	Conc LT	Conc LT	Conc LT
Total	Lead	11/4/99	ug/L	0.7	0.5 U	0.6	0.5 U
		12/2/99	ug/L	0.7	0.5 U	0.5 U	0.6
		3/2/00	ug/L	1.4	0.5 U	0.6	0.5 U
		6/2/00	ug/L		0.5	0.6	4.4
		7/7/99	ug/L		0.67	1.9	0.93
		7/8/99	ug/L	0.61			
		9/5/2000	ug/L		0.5 U	1.1	0.9
		7/21/99	ug/L		0.3	0.4	1
		8/5/99	ug/L		0.41	0.45	0.57
		9/2/99	ug/L		0.56	0.48	0.72
		10/5/99	ug/L		1.7	0.5 U	0.5 U
	Zinc	11/4/99	ug/L	12	10 U	10 U	11
		12/2/99	ug/L	10 U	10 U	10 U	10 U
		3/2/00	ug/L	10 U	10 U	10 U	10 U
		6/2/00	ug/L		10 U	10 U	10 U
		7/7/99	ug/L		10 U	10 U	10 U
		7/8/99	ug/L	10 U			
		9/5/2000	ug/L		10 U	10	10 U
		7/21/99	ug/L		10 U	10 U	10 U
		8/5/99	ug/L		10 U	10 U	33
		9/2/99	ug/L		10 U	10 U	14
		10/5/99	ug/L		10 U	17	20

TABLE 3
SUMMARY STATISTICS OF DISSOLVED METALS IN GROUNDWATER
MCFERRAN GULCH

**SUMMARY STATISTICS OF DISSOLVED METALS IN GROUNDWATER
McFERRAN GULCH**

SITE ID	SAMPLE TYPE	COC	MCL (ug/L)	Sample Size	No. LT Values	Minimum	Maximum	Mean	Std. Dev.	MCL Exceedances
MG-1	Dissolved	Antimony	5	2	2	5	5	5	0	0
		Arsenic	50	2	2	5	5	5	0	0
		Beryllium	1	2	2	1	1	1	0	0
		Cadmium	5	2	2	1	1	1	0	0
		Chromium	100	2	2	10	10	10	0	0
		Copper	1300	2	1	10	15	12.5	2.5	0
		Lead	15	2	1	2	8.9	5.45	3.45	0
		Mercury	2	2	2	0.2	0.2	0.2	0	0
		Nickel	100	2	2	20	20	20	0	0
		Selenium	50	2	2	3	3	3	0	0
		Silver	100	2	2	10	10	10	0	0
		Thallium	1	2	2	10	10	10	0	0
		Zinc	5000	2	1	20	31	25.5	5.5	0
MG-2	Dissolved	Antimony	5	1	1	5	5	5	0	0
		Arsenic	50	1		8.3	8.3	8.3	0	0
		Beryllium	1	1	1	1	1	1	0	0
		Cadmium	5	1	1	1	1	1	0	0
		Chromium	100	1	1	10	10	10	0	0
		Copper	1300	1	1	10	10	10	0	0
		Lead	15	1		2.74	2.74	2.74	0	0
		Mercury	2	1	1	0.2	0.2	0.2	0	0
		Nickel	100	1	1	20	20	20	0	0
		Selenium	50	1	1	3	3	3	0	0
		Silver	100	1	1	10	10	10	0	0
		Thallium	1	1	1	10	10	10	0	0
		Zinc	5000	1	1	20	20	20	0	0
MG-3	Dissolved	Antimony	5	2	2	5	5	5	0	0
		Arsenic	50	2	2	5	5	5	0	0
		Beryllium	1	2	2	1	1	1	0	0
		Cadmium	5	2	2	1	1	1	0	0
		Chromium	100	2	2	10	10	10	0	0
		Copper	1300	2	2	10	10	10	0	0
		Lead	15	2		2.09	5.53	3.81	1.72	0
		Mercury	2	2	2	0.2	0.2	0.2	0	0
		Nickel	100	2	2	20	20	20	0	0
		Selenium	50	2	2	3	3	3	0	0
		Silver	100	2	2	10	10	10	0	0
		Thallium	1	2	2	10	10	10	0	0
		Zinc	5000	2		82	97	89.5	7.5	0
Totals				65	56				0	

**SUMMARY STATISTICS OF TOTAL METALS IN GROUNDWATER
McFERRAN GULCH**

SITE ID	SAMPLE TYPE	COC	MCL (ug/L)	Sample Size	No. LT Values	Minimum	Maximum	Mean	Std. Dev.	MCL Exceedances
MG-1	Total	Antimony	5	2	1	5	18.1	11.55	6.55	1
		Arsenic	50	2		51.8	68.1	59.95	8.15	2
		Beryllium	1	2	2	1	1	1	0	0
		Cadmium	5	2	1	1	1.8	1.4	0.4	0
		Chromium	100	2		39	64	51.5	12.5	0
		Copper	1300	2		58	91	74.5	16.5	0
		Lead	15	2		62.6	100	81.3	18.7	2
		Mercury	2	2	2	0.2	0.2	0.2	0	0
		Nickel	100	2		71	75	73	2	0
		Selenium	50	2	2	3	3	3	0	0
		Silver	100	2	2	10	10	10	0	0
		Thallium	1	2	2	10	10	10	0	0
		Zinc	5000	2		254	290	272	18	0
MG-2	Total	Antimony	5	1		30.2	30.2	30.2	0	1
		Arsenic	50	1		356	356	356	0	1
		Beryllium	1	1	1	1	1	1	0	0
		Cadmium	5	1	1	1	1	1	0	0
		Chromium	100	1	1	10	10	10	0	0
		Copper	1300	1		15	15	15	0	0
		Lead	15	1		32.7	32.7	32.7	0	1
		Mercury	2	1	1	0.2	0.2	0.2	0	0
		Nickel	100	1		21	21	21	0	0
		Selenium	50	1	1	3	3	3	0	0
		Silver	100	1		34	34	34	0	0
		Thallium	1	1	1	10	10	10	0	0
		Zinc	5000	1		123	123	123	0	0
MG-3	Total	Antimony	5	2	1	5	9.39	7.195	2.195	1
		Arsenic	50	2		21.5	29.6	25.55	4.05	0
		Beryllium	1	2	2	1	1	1	0	0
		Cadmium	5	2	1	1	1.62	1.31	0.31	0
		Chromium	100	2	1	10	33	21.5	11.5	0
		Copper	1300	2		16	40	28	12	0
		Lead	15	2		4.28	31.8	18.04	13.76	1
		Mercury	2	2	2	0.2	0.2	0.2	0	0
		Nickel	100	2	1	20	29	24.5	4.5	0
		Selenium	50	2	2	3	3	3	0	0
		Silver	100	2	2	10	10	10	0	0
		Thallium	1	2	2	10	10	10	0	0
		Zinc	5000	2		258	497	377.5	119.5	0
Totals				65	32					10

**DISSOLVED METALS IN GROUNDWATER
McFERRAN GULCH**

COC	EVENT	MCL	UNITS	MG-1	MG-2	MG-3
Antimony	July 2000	5	ug/L	5 U	5 U	5 U
	September 2000	5	ug/L	5 U	Dry	5 U
Arsenic	July 2000	50	ug/L	5 U	8.3	5 U
	September 2000	50	ug/L	5 U	Dry	5 U
Beryllium	July 2000	1	ug/L	1 U	1 U	1 U
	September 2000	1	ug/L	1 U	Dry	1 U
Cadmium	July 2000	5	ug/L	1 U	1 U	1 U
	September 2000	5	ug/L	1 U	Dry	1 U
Chromium	July 2000	100	ug/L	10 U	10 U	10 U
	September 2000	100	ug/L	10 U	Dry	10 U
Copper	July 2000	1,300	ug/L	10 U	10 U	10 U
	September 2000	1,300	ug/L	15	Dry	10 U
Lead	July 2000	15	ug/L	2 U	2.74	2.09
	September 2000	15	ug/L	8.9	Dry	5.53
Mercury	July 2000	2	ug/L	0.2 U	0.2 U	0.2 U
	September 2000	2	ug/L	0.2 U	Dry	0.2 U
Nickel	July 2000	100	ug/L	20 U	20 U	20 U
	September 2000	100	ug/L	20 U	Dry	20 U
Selenium	July 2000	50	ug/L	3 U	3 U	3 U
	September 2000	50	ug/L	3 U	Dry	3 U
Silver	July 2000	100	ug/L	10 U	10 U	10 U
	September 2000	100	ug/L	10 U	Dry	10 U
Thallium	July 2000	1	ug/L	10 U	10 U	10 U
	September 2000	1	ug/L	10 U	Dry	10 U
Zinc	July 2000	5,000	ug/L	20 U	20 U	97
	September 2000	5,000	ug/L	31	Dry	82

**TOTAL METALS IN GROUNDWATER
McFERRAN GULCH**

COC	EVENT	MCL	UNITS	MG-1	MG-2	MG-3
Antimony	July 2000	5	ug/L	5 U	30.2	5 U
	September 2000	5	ug/L	18.1	Dry	9.39
Arsenic	July 2000	50	ug/L	68.1	356	29.6
	September 2000	50	ug/L	51.8	Dry	21.5
Beryllium	July 2000	1	ug/L	1 U	1 U	1 U
	September 2000	1	ug/L	1 U	Dry	1 U
Cadmium	July 2000	5	ug/L	1.8	1 U	1 U
	September 2000	5	ug/L	1 U	Dry	1.62
Chromium	July 2000	100	ug/L	39	10 U	10 U
	September 2000	100	ug/L	64	Dry	33
Copper	July 2000	1,300	ug/L	58	15	16
	September 2000	1,300	ug/L	91	Dry	40
Lead	July 2000	15	ug/L	100	32.7	4.28
	September 2000	15	ug/L	62.6	Dry	31.8
Mercury	July 2000	2	ug/L	0.2 U	0.2 U	0.2 U
	September 2000	2	ug/L	0.2 U	Dry	0.2 U
Nickel	July 2000	100	ug/L	71	21	20 U
	September 2000	100	ug/L	75	Dry	29
Selenium	July 2000	50	ug/L	3 U	3 U	3 U
	September 2000	50	ug/L	3 U	Dry	3 U
Silver	July 2000	100	ug/L	10 U	34	10 U
	September 2000	100	ug/L	10 U	Dry	10 U
Thallium	July 2000	1	ug/L	10 U	10 U	10 U
	September 2000	1	ug/L	10 U	Dry	10 U
Zinc	July 2000	5,000	ug/L	254	123	258
	September 2000	5,000	ug/L	290	Dry	497

Appendix 2

Legal Descriptions of Galena Mine and Coeur Mine and Mill Properties

GALENA MINE DESCRIPTION

April, 2001

The Galena Mine is described from the January 11, 1947, Lease Agreement between Vulcan and AS & R as follows:

Patented Mining Claims

Mineral Survey Number	Name of Claim
1053	Lee
	Keystone Consolidated
2047	Kill Buck
	Last Resort
	Eureka
	Never Sweat Fraction
	Kill Buck Fraction
3056	Tin Cup
	Killbuck Two
	Tea Cup
	Dike
	Dipper
	Adit Tunnel
	Essie
	C.B. Ex.
	Angie
	Ross
	Hazel
	Kate
	Butte Jr.
	John Borg
	Marie
	Doctor
2193	Grand View
	Grand View Extension
	Pleasant View
	Pleasant View Extension
2463	West View
	East View
	Fairview
2462	Beverly Fraction

Unpatented Mining Claims
But Patented After 1947 Agreement

Mineral Survey Number	Name of Claim
3349	Lyle No. 1 Lyle No. 2 Summit Sanders Wilks Nugget
3316	Geraldine Argentine Fraction Mary C. Senator C.
3324	Silver Knob Fraction N.W. End Fraction Harding Roosevelt Dawes
3346	Faith Florence
3348	Galena Lead Plumbum Anglesite BYP David

Real Property

The South one half of the Southeast one quarter, Section 20, T.48 N., R.4 E., of the Boise Meridian and;

Property known as the Brass Homestead which is the Northwest one quarter of Section 28, T.48 N., R.4E., Boise Meridian which is not included in the 1947 Agreement, but which is described as Parcel 3, Exhibit A of "Descriptions of Asarco Property Contributions to Silver Valley Resources, Inc."

All of the above mining claims and real property are subject to various easements and exclusions that are noted in the 1947 Agreement and in Exhibit A mentioned in the immediately preceding paragraph.

COEUR MINE DESCRIPTION

April, 2001

The Coeur Mine is described from the "Rainbow Property" list of the August 31, 1964, agreement between Coeur d'Alene Mines Corporation, Rainbow Mining and Milling Company, Ltd., and American Smelting and Refining Company, but excludes the "Coeur Property" list, the surface of which became the "Old Coeur d'Alene Mines" property (sometimes known as the "Mineral Point" property) in the deed of January 1, 1995, (Inst. # 365616) which was part of the formation of Silver Valley Resources Corporation, as follows:

Patented Mining Claims

Mineral Survey Number	Name of Claim
3191	Blue Ribbon July John D. Gaylord Horseshoe Hazzard Rainbow No. 2 Vera Blatz James H. Brooklet Jane Wray Thursday Argentine Extension Bobbie Knob Hill Lookout Spider
2761	Sunshine Rainbow Pride of the Rockies Mountain View

All of the above mining claims may be subject to various easements and exclusions.

Appendix 3

Legal Description of Burns-Yaak
Property (approximately 74 acres in size)

LEGAL DESCRIPTION FOR THE BURNS-YAAK MILL SITE

(From Inst.# 365618, Exhibit A., Page 1.)

The following land known as the Burns-Yaak Mill Site:

A. A parcel of land located in the North half of the Southeast 1/4 of Section 13, Township 48 North, Range 3 East, Boise Meridian, Shoshone County, Idaho, and part of Government Lot 3, Section 18, Township 48 North, Range 4 East, Boise Meridian, Shoshone County, Idaho, more specifically described as follows:

Beginning at the center of said Section 13, which lies North 00 04' 42" East and 2629.62 feet from the South 1/4 corner of said Section 13, said center of section being the True Point of Beginning; thence North 00 04' 42" East, 235.57 feet to a point on the South line of a 200 foot right-of-way for the Union Pacific Railroad; thence along said right-of-way South 73°13'00" East, 2803.61 feet to a point on the East line of said Section 13; thence North 00°30'27" East, 78.13 feet along section line and said right-of-way to a point on the South line of a 50 foot right-of-way of the Union Pacific Railroad; thence South 73°13'00" East, 189.40 feet to the Westerly boundary of Madison St., the Old McFarren Gulch Road; thence South 11°30'00" West, 756.79 feet along said right-of-way to a point on the South line of said Government Lot 3; thence South 89°34'10" West, 37.51 feet along the South line of Government Lot 3 to the South 1/16 corner common to said Section 13 & 18; thence South 89°31'16" West 2680.03 feet along the South line of the North half of the Southeast 1/4 of said Section 13 to the South center 1/16 corner of said Section 13; thence North 00 04 42" East, 1314.81 feet along the center of section line to the True Point of Beginning.

B. A parcel of land located in Section 13, Township 48 North, Range 3 East, Boise Meridian, Shoshone County, Idaho, more specifically described as follows:

Beginning at the center of said Section 13, which lies North 00 04' 42" East and 2629.62 feet from the South 1/4 corner of said Section 13, said center of section being the True Point of Beginning; thence North 00 04' 42" East, 274.95 feet on the center of section line to a point on the center of the Polaris Spur right-of-way; thence along a 10 degree curve to the left 176.38 feet to the chord of which bears South 71°23'17" West, 175.67 feet to a point on the centerline of said right-of-way; thence South 62°34'52" West, 53.11 feet along said centerline; thence South 00°02'22" West, 323.04 feet; thence South 60°49'00" East, 242.78 feet; thence North 00°21'02" East, 247.00 feet to the True Point of Beginning, Less the North 17.5 feet thereof.

Appendix 4

Legal Description of McFarran Gulch
Property (otherwise known as Old Coeur
d'Alene Mines and Mineral Point Property)

OLD COEUR 'D ALENE MINES DESCRIPTION

(Also known as Mineral Point Property)

April, 2001

The Old Coeur Mine property (also known as the Mineral Point or McFarran Gulch property) is described from the deed of January 1, 1995, (Inst. # 365616) which was part of the formation of Silver Valley Resources Corporation, as follows:

Patented Mining Claims

Mineral Survey Number	Name of Claim
883	Mineral Point
3382	Emma
	Century
	Emma Extension
	Maggie
	Diamond Point
	Australia
	Columbia
	Lonesome Pine No. 1
	Lonesome Pine No. 2
	Lonesome Pine No. 4
	Lonesome Pine No. 5
	Lonesome Pine No. 6
	Diamond Point No. 2
	Maggie Fraction
	Mineral Point Fraction

Real Property

Irregular land piece lying north of claims named Diamond Point No. 2 and Willow. The property is tax parcel 48N04E-18-6100 and is described by metes and bounds as follows:

Beginning at the Common corner of Sections 13 and 24, T.48 N., R.3 E., B.M. and Sections 18 and 19, T.48 N., R.4 E., B.M.; thence North 0° 20' E. along the common line between T. 48 N., R.3 E., B.M. and T. 48 N., R. 4 E. B.M., 1310 ft. more or less to the Northwest corner of Lot Four identical with the SW 1/4 of the SW 1/4 of said Sec.18, T. 48 N., R. 4 E. B.M.; thence N. 89° 17' E. 1050 ft. more or less along the Northerly sideline of said Lot 4 of Sec.18, T. 48 N., R. 4 E. B.M. to the point of intersection with the Westerly sideline of the Townsite of Osburn, Idaho, as the same is delineated on the official plat of said Townsite filed in the office of the County Recorder of Shoshone

County, Idaho, on April 11, 1890, and on file and of record now in the office of the County Recorder of Shoshone County, Idaho; thence S. 30° 5' W. 405 ft. more or less to the Southwest corner of said Townsite of Osburn; thence S. 59° 55' E. along the Southerly sideline of said Osburn Townsite, 555 ft. more or less to the point of intersection with the Easterly line of said Lot 4, identical with the Southwest 1/4 of the Southwest 1/4 of Sec. 18, T. 48 N., R. 4 E., B.M. Thence S. 0° 20' 30" West along said Easterly sideline of said Lot 4 of Sec. 18, T. 48 N., R. 4 E., B.M., 692 ft. more or less to the Southeast corner of said Lot 4, identical with the Southwest 1/4 of the Southwest 1/4 of Sec. 18, T. 48 N., R. 4 E., B.M.; thence S. 89° 34' W. along the common line between Sections 18 and 19, T. 48 N., R. 4 E., B.M. 1327.3 ft. more or less to the corner of Sections 13 and 24, T. 48 N., R. 3 E., B.M. and Sections 18 and 19, T. 48 N., R. 4 E., B.M., the place of beginning, containing 34.502 acres, more or less.

And also, all that portion of the Southeast 1/4 of the Southwest 1/4 of Section 18, T. 48 N., R. 4 E., B.M., in Shoshone County, Idaho, sometimes designated as Tract 2 and more particularly described by metes and bounds as follows:

Beginning at the Southwest corner of the Southeast 1/4 of the Southwest 1/4, identical with the Southeast corner of the Southwest quarter of the Southwest quarter, designated as Lot No. 4 of Section 18, T. 48 N., R. 4 E., B.M.; thence N. 89° 34' E. along the common line between Sections 18 and 19, T. 48 N., R. 4 E., B.M., 1260 ft. more or less to the point of intersection with the Southerly sideline of the Townsite of Osburn, Idaho, as shown by the plat of Osburn now on file and of record in the office of the County Recorder of Shoshone County, Idaho; thence along the Southerly line of said Osburn Townsite N. 59° 55' W. 612 ft. more or less to a point; thence S. 18° 30' W. 55 ft. more or less to a point; thence N. 59° 55' W. along the Southerly line of said Townsite of Osburn 820 ft. more or less to the point of intersection with the Easterly sideline of the Southwest 1/4 of the Southwest 1/4, identical with Lot 4 of Section 18, T. 48 N., R. 4 E., B.M.; thence S. 0° 20' 30" W. 692 ft. more or less along the common line between the Southwest 1/4 of the Southwest 1/4, known as Lot 4, and the Southeast 1/4 of the Southwest 1/4 of Section 18, T. 48 N., R. 4 E., B.M., the place of beginning, containing 12.06 acres, more or less.

All of the above mining claims and real property are subject to various easements and exclusions, some of which are noted in the 1995 deed.

Appendix 5

Form: Security Interest

ROYALTY DEED

THIS ROYALTY DEED is made effective this _____ day of _____, by and among COEUR SILVER VALLEY, INC. whose address is _____ (hereafter "GRANTOR") and THE UNITED STATES OF AMERICA, whose address is _____ hereafter referred to as GRANTEE.

For and in consideration of the terms of the Consent Decree in the case of United States v. ASARCO Inc. et al. (96-0122-N-EJL) (and consolidated cases), the receipt of which is hereby acknowledged, GRANTOR hereby grants and agrees to pay unto GRANTEE a variable production royalty on gold and variable production royalty on silver of the Net Smelter Return as that term is herein defined (hereafter referred to as the "PRODUCTION ROYALTY") from the sale of minerals from the PROPERTY described in Attachment 1 (hereafter the "PROPERTY") in accordance with the following schedule:

Terms of Gold Royalty: \$5.00 per ounce for all gold mined or processed by Coeur or for Coeur's account regarding this PROPERTY during the calendar quarter, provided that the average market price for gold in that quarter equals or exceeds \$325 per ounce.

Terms of Silver NSR Royalty: Coeur shall pay to the United States, on or before the thirtieth (30th) day after the conclusion of each calendar quarter, an amount equal to the sum of (a) two percent of the Net Smelter Returns (the "NSR") from all silver mined or processed by Coeur or for Coeur's account at the PROPERTY during the calendar quarter, provided that the average market price for silver in that quarter equals or exceeds \$6.50 per ounce.

The Net Smelter percentage utilized for the purpose of calculating the PRODUCTION ROYALTY payable for any calendar quarter shall be determined by the average daily quotations of the Handy and Harmon New York official quotation as published in Metals Week (or its recognized successor in the publications of silver or gold quotations) for that calendar quarter.

GRANTOR shall, however, have the right to mine and market amounts of minerals and mineral-bearing ores and concentrates reasonably necessary for sampling, assaying, metallurgical testing and evaluating the minerals potential of the PROPERTY without initiating the obligation to make PRODUCTION ROYALTY payments. The term "Net Smelter Returns" shall mean the net amount paid to GRANTOR by a smelter or other purchaser for minerals mined from the PROPERTY after deductions for the following costs paid by or charged to GRANTOR (whether paid or incurred by GRANTOR or by the smelter or other purchaser in the first instance): (i) all

smelting, refining, treatment, selling and other costs, charges, and penalties charged by the smelter or other purchaser for such minerals, (ii) all costs of loading, transporting, and insuring such minerals and mineral-bearing substances from the PROPERTY to the smelter or other purchaser; and (iii) all taxes paid by GRANTOR on such minerals or mineral-bearing substances, except income taxes, including, but not limited to, production, severance, sales, and privilege taxes. Whenever minerals or mineral-bearing substances are delivered for direct sale or future processing thereof to a processing or sales facility owned or controlled by GRANTOR or which possesses or sells such minerals or mineral-bearing substances for GRANTOR on a toll basis, the Net Smelter Returns from such sale shall be an amount not less than the amount which would have been realized by GRANTOR if the sale had been to the nearest independent purchaser of such product; in such case, GRANTOR may deduct amounts not to exceed the charges, costs, and expenses permitted under the preceding sentence. GRANTOR shall make PRODUCTION ROYALTY payments within thirty (30) days after the end of the calendar quarter in which proceeds from the sale of minerals or mineral-bearing substances are realized. At such time, GRANTOR shall provide GRANTEE with a statement showing in reasonable detail the computation of the PRODUCTION ROYALTY payments. Each quarterly statement furnished to GRANTEE shall be deemed to be correct and binding on GRANTEE unless GRANTEE within ninety(90) days of its receipt, notifies GRANTOR in writing that GRANTEE disputes the correctness of such statement and specifies its objections in detail. GRANTOR shall maintain true and correct records of all minerals and mineral-bearing substances mined and sold from the PROPERTY, and GRANTOR shall GRANTEE to inspect, at GRANTEE's expense, the books and records of GRANTOR which are pertinent to the determination of the PRODUCTION ROYALTY at any reasonable time during normal business hours, provided such inspection is conducted by GRANTEE or by an accounting firm of recognized standing, at least one of whose members is a member of the American Institute of Certified Public Accountants, and provided such inspection does not interfere unreasonably with GRANTOR's operations or procedures.

The Parties also agree that the intent of this form is not to create any possessory or ownership interest in the mining operations.

IN WITNESS WHEREOF, GRANTOR has caused this Royalty Deed to be executed by its undersigned representative as of the date first above written.

By _____

STATE OF IDAHO)
) ss
County of Shoshone)

On this _____ day of _____, 2001, before me, the undersigned, a
Notary Public in and for the State of Idaho, personally appeared
_____, known or identified to me to be the _____ of
COEUR SILVER VALLEY, INC., and acknowledged to me that he executed the same for and
on behalf of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the
day and year in this certificate first above written.

Notary Public for the State of Idaho
My Comm'n Expires _____

Appendix 6

Form of Easement:
McFarran Gulch Property

A. ENVIRONMENTAL PROTECTION EASEMENT
AND
DECLARATION OF RESTRICTIVE COVENANTS

1. This Environmental Protection Easement and Declaration of Restrictive Covenants is made this ___ day of _____, 200_, by and between Coeur Silver Valley, Inc. ("Grantor"), having an address of _____, and _____ ("Grantee") having an address of _____.

WITNESSETH:

2. WHEREAS, Grantor is the owner of a parcel of land located in the country of _____, State of Idaho, more particularly described on **Exhibit A** attached hereto and made a part hereof (the "Property"); and

3. WHEREAS, the Property is part of the Bunker Hill Facility, which the U.S. Environmental Protection Agency ("EPA"), pursuant to Section 105 of the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), 42 U.S.C. § 9605, placed on the National Priorities List, set forth at 40 C.F.R. Part 300, Appendix B, by publication in the Federal Register on September 8, 1983; and

4. WHEREAS, in response to a release or a substantial threat of a release of a hazardous substance(s) at or from the Bunker Hill Facility, EPA has completed two Records of Decision which selected remedial actions for portions of the Facility in 1991 and 1992, and, presently anticipates issuing at least two further Records of Decision pertaining to other areas of the Facility. In addition, EPA has produced numerous action memoranda providing for time-critical and non-time critical response actions within the Bunker Hill Facility, which provides, in part, for the following actions: Decontamination and demolition of contaminated buildings and structures; excavation of contaminated soils and sediments; placement of contaminated materials in local waste repositories; installation of physical access restrictions; placement of barriers such as clean soil over contaminated materials remaining in place; and establishment of land use restrictions.

and

5. WHEREAS, the parties hereto have agree 1) to grant a permanent right of access over the Property to the Grantee for purposes of implementing, facilitating and monitoring the response action; and 2) to impose on the Property use restrictions as covenants that will run with the land for the purpose of protecting human health and the environment; and

6. WHEREAS, Grantor wishes to cooperate fully with the Grantee in the implementation of all response actions at the Property;

NOW, THEREFORE:

7. Grant: Grantor, on behalf of itself, its successors and assigns, in consideration of the terms of the Consent Decree in the case of United States v. ASARCO Inc. et al.(96-0122-N-EJL)(and consolidated cases), does hereby covenant and declare that the Property shall be subject to the restrictions on use set forth below, and does give, grant and convey to the Grantee, and its assigns, with general warranties of title, 1) the perpetual right to enforce said use restrictions, and 2) an environmental protection easement of the nature and character, and for the purposes hereinafter set forth, with respect to the Property.

8. Purpose: It is the purpose of this instrument to convey to the Grantee real property rights, which will run with the land, to facilitate the remediation of past environmental contamination and to protect human health and the environment by reducing the risk of exposure to contaminants.

9. Restrictions on use: The following covenants, conditions, and restrictions apply to the use of the Property, run with the land and are binding on the Grantor:

10. Modification of restrictions: The above restrictions may be modified, or terminated in whole or in part, in writing, by the Grantee. If requested by the Grantor, such writing will be executed by Grantee in recordable form.

11. Environmental Protection Easement: Grantor hereby grants to the Grantee an irrevocable, permanent and continuing right of access at all reasonable times to the Property for purposes of:

- a. Implementing the response actions, including but not limited to _____

- b. Verifying any data or information submitted to EPA.
- c. Verifying that no action is being taken on the Property in violation of the terms of this instrument or of any federal or state environmental laws or regulations;
- d. Monitoring response actions on the Property and conducting investigations relating to contamination on or near the Property including, without limitation, sampling of air, water, sediments, soils, and specifically, without limitation, obtaining split or duplicate samples; and
- e. Conducting periodic reviews of the response action, including but not limited to, reviews required by applicable statutes and/or regulations.

12. Reserve rights of Grantor: Grantor hereby reserves unto itself, its successors, and assigns, all rights and privileges in and to the use of the Property which are not incompatible with the restrictions, rights and easements granted herein.

13. Nothing in this document shall limit or otherwise affect EPA's rights of entry and access or EPA's authority to take response actions under CERCLA, the NCP, or other federal law.

14. No Public Access and Use: No right of access or use by the general public to any portion of the Property is conveyed by this instrument.

15. Notice requirement: Grantor agrees to include in any instrument conveying any interest in any portion of the Property, including but not limited to deeds, leases and mortgages, a notice which is in substantially the following form:

NOTICE: THE INTEREST CONVEYED HEREBY IS SUBJECT TO AN ENVIRONMENTAL PROTECTION EASEMENT AND DECLARATION OF RESTRICTIVE COVENANTS, DATED _____, 20 ____, RECORDED IN THE PUBLIC LAND RECORDS ON _____, 20 ____, IN BOOK __, PAGE __, IN FAVOR OF, AND ENFORCEABLE BY, THE UNITED STATES OF AMERICA.

Within thirty (30) days of the date any such instrument of conveyance is executed, grantor must provide grantee with a certified true copy of said instrument and, if it has been recorded in the public land records, its recording reference.

16. Administrative jurisdiction: The federal agency having administrative jurisdiction

over the interests acquired by the United States by this instrument is the EPA.

17. Enforcement: The Grantee shall be entitled to enforce the terms of this instrument by resort to specific performance or legal process. All remedies available hereunder shall be in addition to any and all other remedies at law or in equity, including CERCLA. Enforcement of the terms of this instrument shall be at the discretion of the Grantee, any forbearance, delay or omission to exercise its rights under this instrument in the event of a breach of any term of this instrument shall not be deemed to be a waiver by the Grantee of such term or of any subsequent breach of the same or any other term, or of any of the rights of the Grantee under this instrument.

18. Damages: Grantee shall be entitled to recover damages for violations of the terms of this instrument, or for any injury to the response action, to the public or to the environment protected by this instrument.

19. Waiver of certain defenses: Grantor hereby waives any defense of laches, estoppel, or prescription.

20. Covenants: Grantor hereby covenants to and with the United States and its assigns, that the Grantor is lawfully seized in fee simple of the Property, that the Grantor has a good and lawful right and power to sell and convey it or any interest therein, that the Property is free and clear of easements of record or in view, except those noted on **Exhibit D** attached hereto, and that the Grantor will forever warrant and defend the title thereto and the quiet possession thereof.

21. Notices: Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other shall be in writing and shall either be served personally or sent by first class mail, postage prepaid, addressed as follows:

To Grantor:

To Grantee:

22. General provisions:

a. Controlling law: The interpretation and performance of this instrument shall be governed by the laws of the United States, or if there are no applicable federal laws, by

the law of the state of Idaho

b. Liberal construction: Any general rule of construction to the contrary notwithstanding, this instrument shall be liberally construed in favor of the grant to effect the purpose of this instrument and policy and purpose of CERCLA. If any provision of this instrument is found to be ambiguous, an interpretation consistent with the purpose of this instrument that would render the provision valid shall be favored over any interpretation that would render it invalid.

c. Severability: If any provision of this instrument, or the application of it to any person or circumstance, if found to be invalid, the remainder of the provisions of this instrument, or the application of such provisions to persons or circumstances other than those to which it is found to be invalid, as the case may be, shall not be affected thereby.

d. Entire Agreement: This instrument sets forth the entire agreement of the parties with respect to rights and restrictions created hereby, and supersedes all prior discussions, negotiations, understandings, or agreements relating thereto, all of which are merged herein.

e. No Forfeiture: Nothing contained herein will result in a forfeiture or reversion of Grantor's title in any respect.

f. Joint Obligation: If there are two or more parties identified as Grantor herein, the obligations imposed by this instrument upon them shall be joint and several.

g. Successors: The covenants, terms, conditions, and restrictions of this instrument shall be binding upon, and insure to the benefit of, the parties hereto and their respective personal representatives, heirs, successors, and assigns and shall continue as a servitude running in perpetuity with the Property. The term "Grantor", wherever used herein, and any pronouns used in place thereof, shall include the persons and/or entities named at the beginning of this document, identified as "Grantor" and their personal representatives, heirs, successors, and assigns. The term "Grantee", wherever used herein, and any pronouns used in place thereof, shall include the persons and/or entities named at the beginning of this document, identified as "Grantee" and their personal representatives, heirs, successors, and assigns. The rights of the Grantee and Grantor under this instrument are freely assignable, subject to the notice

provisions hereof.

h. Termination of Rights and Obligations: A party's rights and obligations under this instrument terminate upon transfer of the party's interest in the Easement or Property, except that liability for acts or omissions occurring prior to transfer shall survive transfer.

i. Captions: The captions in this instrument have been inserted solely for convenience of reference and are not a part of this instrument and shall have no effect upon construction or interpretation.

j. Counterparts: The parties may execute this instrument in two or more counterparts, which shall, in the aggregate, be signed by both parties; each counterpart shall be deemed an original instrument as against any party who has signed it. In the event of any disparity between the counterparts produced, the recorded counterpart shall be controlling.

TO HAVE AND TO HOLD unto the Grantee and its assigns forever.

IN WITNESS WHEREOF, Grantor has caused this Agreement to be signed in its
name.

Executed this ____ Day of _____, 19 ____.

By: _____

Its: _____

STATE OF _____)
COUNTY OF _____) ss

On this ____ day of _____, 19 ___, before me, the undersigned, a Notary Public in and for the State of _____, duly commissioned and sworn, personally appeared _____, known to be the _____ of _____, the corporation that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that they are authorized to execute said instrument.

Witness my hand and official seal hereto affixed the day and year written above.

Notary Public in and for the State of _____
My commission expires: _____.

This easement is accepted this ____ day of _____, 20 ____.

UNITED STATES OF AMERICA
U.S. ENVIRONMENTAL PROTECTION
AGENCY

By: _____

Attachments:

Exhibit A - legal description of the Property

Exhibit B - identification of proposed uses and construction plans, for the
Property

Exhibit C - identification of existing uses of the Property

Exhibit D - list of permitted title encumbrances

The United States has filed a Second Amended Complaint against Coeur d'Alene Mines, Corporation and Callahan Mining Corporation and other defendants in Case Number CIV-96-0122-N-EJL (D. Idaho), seeking (1) recovery under Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. § 9607, of response costs incurred or to be incurred by the United States Environmental Protection Agency ("EPA") or other federal agencies with respect to the Bunker Hill Facility (as defined in the Second Amended Complaint) in the Coeur d'Alene River Basin (the "Basin") in northern Idaho; and (2) damages under Sections 107(a)(4) and 107(f) of CERCLA, 42 U.S.C. § 9607(a)(4) & (f), and Section 311(f) of the Clean Water Act ("CWA"), 33 U.S.C. § 1321(f), for injury to, destruction of, or loss of natural resources at the Bunker Hill Facility as a result of releases of hazardous substances.

The United States hereby notifies the Court that it has lodged a proposed Partial Consent Decree for the above-referenced matter that would resolve all claims of the United States set forth in the complaint against Coeur d'Alene Mines, Corporation and Callahan Mining Corporation as well as its claims against Coeur Silver Valley, Inc.

The Court should not sign the proposed Consent Decree at this time. Instead, the Consent Decree should remain lodged with the Court while the United States provides an opportunity for public comment consistent with CERCLA Section 122(d)(2), 42 U.S.C. § 9622(d)(2), and the policy of the Department of Justice, 28 C.F.R. Part 50.7

The Department of Justice will publish in the Federal Register a notice that the proposed Settlement Agreement and Consent Decree has been lodged with the Court. The Notice will

solicit public comment for a period of approximately 14 days. During the comment period, no action is required of this Court.

Respectfully submitted,

JOHN C. CRUDEN
Acting Assistant Attorney General
Environment & Natural Resources
Division



WILLIAM D. BRIGHTON, Assistant Chief
THOMAS SWEGLE, Senior Lawyer
DAVID L. DAIN, Trial Attorney
Environmental Enforcement Section
1425 New York Avenue, N.W.
Washington, DC 20005
(202) 514-2244

ALAN BURROW
Assistant U.S. Attorney
District of Idaho
P.O. Box 32
Boise, ID 83707
(208) 334-1211

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 18h day of April 2001, I caused to be served a true and correct copy of the attached NOTICE OF LODGING OF CONSENT DECREE PENDING SOLICITATION OF PUBLIC COMMENT addressed to each of the following:

Attorneys for Defendants ASARCO, Inc., Government Gulch Mining Co., and Federal Mining & Smelting Co.

Peter J. Nickles
Joanne B. Grossman
Covington & Burling
1201 Pennsylvania Ave, N.W.
Washington, D.C. 20044-2494
Tel (202) 662-6000
Fax (202) 662-6291

☒ U.S. Mail Postage Prepaid
☐ Hand Delivery
☐ Overnight Mail
☐ Facsimile

Michael R. Thorp
Heller, Ehrman, White
& McAuliffe
6100 Bank of America Tower
701 Fifth Avenue
Seattle, WA 98104-7098
Tel (206) 389-6200
Fax (206) 447-0375

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☐ Facsimile

M. Michael Sasser
Hamlin & Sasser, P.A.
3100 S. Vista Avenue, Suite 200
P.O. Box 16488
Boise, ID 83715-6488
Tel (208) 344-8474
Fax (208) 344-8479

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Kevin McCaffrey
Associate General Counsel
ASARCO, Inc.
100 Southgate Parkway
Morristown, NJ 07962
Tel (973) 993-4864
Fax (973) 993- 4870

☒ U.S. Mail Postage Prepaid
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☐ Facsimile

Attorneys for Defendants Callahan Mining Co. and Coeur d'Alene Mines Corp.

William F. Boyd
Attorney at Law
601 Sherman Ave., Suite 1
Coeur d'Alene, ID 83814
Tel (208) 665-0666
Fax (208) 665-0864

☒ U.S. Mail Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Eugene I. Annis
Lukins & Arnis, P.S.
1600 Washington Trust Financial Ctr.
717 West Sprague Ave., Suite 1600
Spokane, WA 99201-0466
Tel (509) 455-9555
Fax (509) 363-2461

☒ U.S. Mail Postage Prepaid
☐ Hand Delivered
☐ Overnight Mail
☐ Facsimile

Attorneys for Hecla Mining Co., Inc.

Elizabeth H. Temkin
Temkin Wielga & Hardt
c/o Sheree S. Choules
877 W. Main Street, Suite 1000
Boise, ID 83702
Tel: (208) 388-4862
Fax: (208) 344-1402

☒ U.S. Mail Postage Prepaid
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☐ Facsimile

Attorneys for Coeur d'Alene Tribe

Brian Cleary
Ray Givens
Givens, Funke & Work
424 East Sherman Avenue, Suite 308
P.O. Box 969
Coeur d'Alene, ID 83816-0969
Tel (208) 667-5486
Fax (208) 667-4695

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DIANNE HERZ

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF IDAHO

FILE

U.S. COURTS

UNITED STATES OF AMERICA,

Plaintiff,

v.

ASARCO INCORPORATED, et. al,

Defendants.

and Consolidated Case.

No. 96-0122-N-EJL

No. 91-0342-N-EJL

01 MAY 14 AM 8:38

REC'D FILED
CAMERON S. BURKE
IDAHO

ORDER FOR ENTRY OF
COEUR CONSENT DECREE

On April 28, 2001, the United States lodged with this Court a Partial Consent Decree with defendants Coeur d'Alene Mines Corporation and Callahan Mining Corporation as well as Coeur Silver Valley, Inc., a wholly owned subsidiary of CDA Mines (the "Coeur Consent Decree" or "Decree"). The United States published notice of the proposed Decree in the Federal Register and provided the public with an opportunity to comment on the Decree. See 66 Fed. Reg. 78 (Apr. 23, 2001). No comments were received.

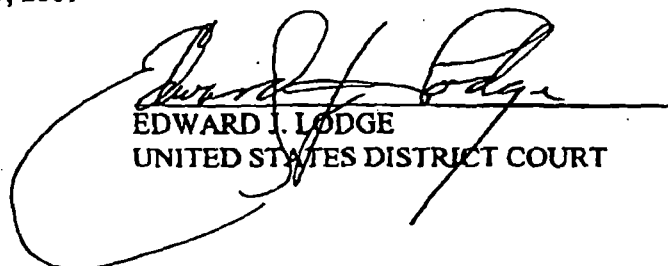
On May 11, 2001 the United States filed a motion to enter the Coeur Consent Decree. the United States also file a Memorandum in Support of that motion. The United States noted that no comments were received and concluded that the Coeur Consent Decree is fair, reasonable, consistent with the objectives of CERCLA, and well serves the public interest. The United States has requested that the Court approve the Coeur Consent Decree and enter it as a final judgment, subject to the reservations set forth in the Decree.

The Court has reviewed the Coeur Consent Decree and the United States' Memorandum in Support of Entry and held a hearing on May 14, 2001 on the Motion to Enter. After consideration of all matters that have been submitted, the Court finds no basis on which to deny

the motion to enter the Coeur Consent Decree. The Court is satisfied that the settlement is reasonable, fair, and consistent with CERCLA and the purposes that statute is intended to serve. See United states v. Montrose Chem. Corp., 50 F.3d 741, 746-47 (9th Cir. 1995).

Being fully advised in the premises, and finding that there is no reason for delay, IT IS HEREBY ORDERED that the Partial Consent Decree with Coeur D'Alene Mines Corporation and Callahan Mining Corporation is hereby approved and entered as a final judgment of the Court under Fed. R. Civ. P. 54 and 58, in accordance with its terms. The Court Clerk is directed to file the Coeur Consent Decree in the record and mail a copy of the Order as well as the first page (with file stamp verification) and page 42 (with the Court's signature) of the Decree to each party, except that a complete copy shall be mailed to Coeur and the United States. The entire executed Consent Decree (46 pages excluding exhibits) will be available to parties upon written request to the Clerk of ^{the} Court and payment of ^{\$500} (for copying and postage).

Dated this 14th day of May, 2001


EDWARD J. LODGE
UNITED STATES DISTRICT COURT